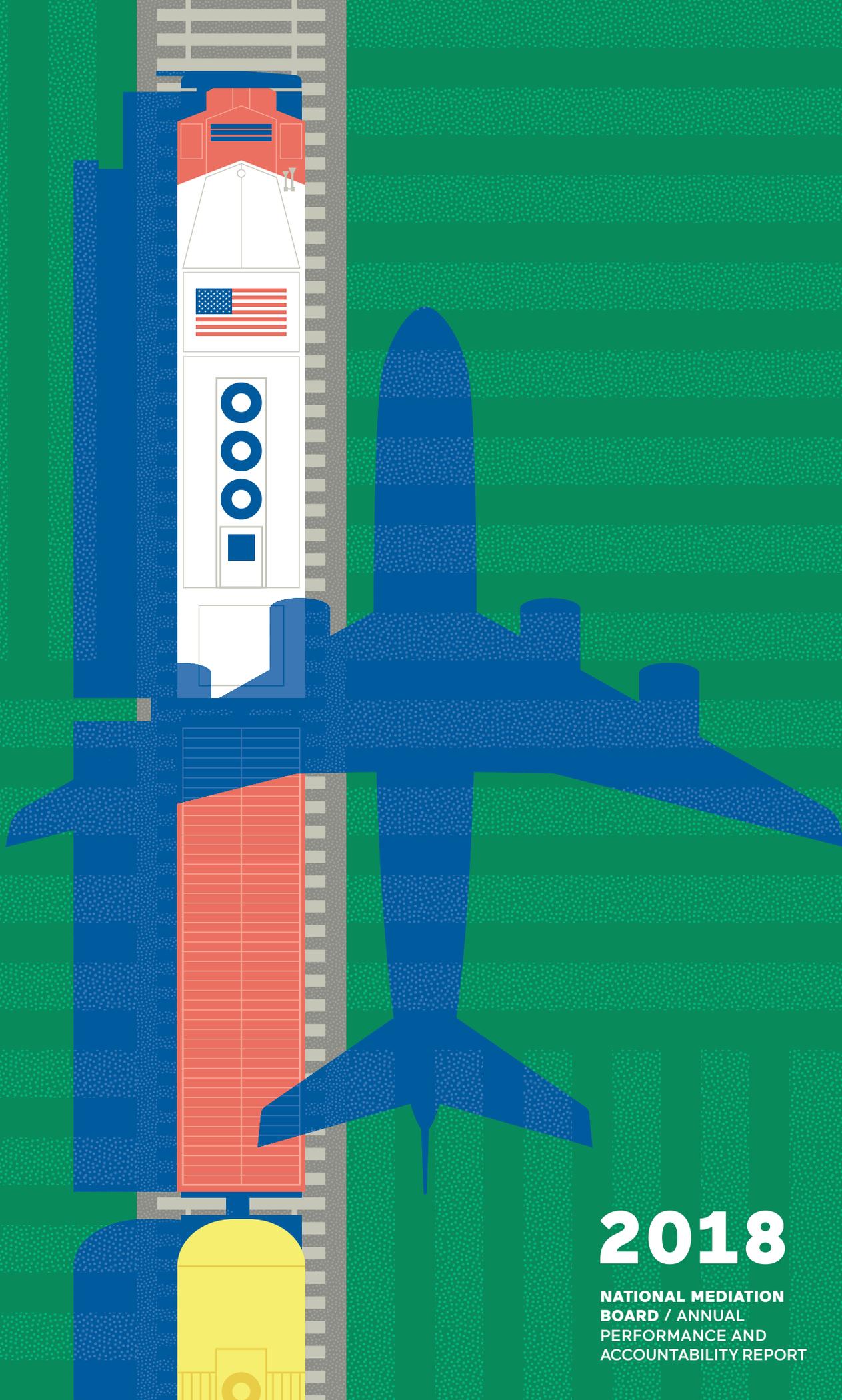


N M B



2018

**NATIONAL MEDIATION
BOARD / ANNUAL
PERFORMANCE AND
ACCOUNTABILITY REPORT**

CHAIRMAN'S LETTER

November 15, 2018

**N
M
B**

The National Mediation Board had a banner year in FY 2018. The Agency's mission – to prevent disruption to interstate commerce – remains as critical today as it was in 1934, when the Board was created under amendments to the Railway Labor Act.

NMB is pleased to report that there were no interruptions in the rail or air industry in FY 2018. Through the work of this Agency, the over twelve million jobs directly supported by the rail and air industry continued as usual. By extension, the millions of jobs dependent on the ability to travel and transport goods were also not disrupted. As unemployment rates reach lows not seen in decades, NMB acts to ensure that work disruptions in the air or rail sectors do not dampen economic growth. NMB is proud to play its part in keeping the United States' job-producing economy strong.

At the start of the fiscal year, the Board's statutory complement of three members was restored when two new Board Members and one sitting Board Member were unanimously confirmed by the United States Senate. At full strength, the new Board has been able to address issues which have long been of concern at NMB.

For example, the Board addressed the fact that NMB has no assigned Inspector General by establishing a Memorandum of Understanding with the Inspector General of the National Labor Relations Board to create an anonymous hotline to report fraud, waste and abuse. The Board also finalized a new regulation strengthening ethical standards for NMB staff to prevent conflict of interests.

The Board reorganized NMB's structure to recognize the important part IT and budgeting play in the functioning of the Agency. A new Delegation Order eliminated the Chief of Staff position and elevated two critical program-support roles – Information Technology and Fiscal Services. With these changes, the Board became more involved in the management of the Agency.

The Office of Arbitration Services (OAS) had a particularly good year, reversing troubling trends. In FY 2018, the arbitration case docket declined by 25 percent. This is the first decline in NMB's backlog since 2012. Although parties filed even more cases for arbitration than in the previous fiscal year, NMB doubled the case closure rate in FY 2018. This successful year can be attributed to the implementation of policies to require timely decisions from arbitrators, encourage grievance mediation as an alternative to arbitration, remove aged cases which were not being progressed by the parties and devote additional resources to fund arbitration cases.

The Office of Mediation Services (OMS) also had a strong year of achievement. NMB successfully completed a multi-year mediation of contract negotiations between 32 railroads and 12 labor organizations representing their more than 150,000 employees. In total, NMB mediators closed 44 cases in FY 2018, a significant increase from 26 closed in the previous year. Additionally, NMB mediators provided alternative dispute resolution assistance to labor and management parties in the rail and air sectors. These services help parties resolve current disputes, often taking cases off of NMB's arbitration caseload, but also teaching parties how to resolve future disputes independently, without the assistance of this government Agency.

The Office of Legal Affairs (OLA) handled large and challenging representation elections in FY 2018, including a non-traditional ballot box election in hurricane-impacted Puerto Rico. Additionally, OLA professionally managed investigations, jurisdictional determinations and updated the Representation Manual.

NMB's program support offices played a critical role in ensuring the Agency is able to perform its statutory mission in FY 2018. The Office of Administration (OA) performed double duty as it handled both the administrative and the fiscal services needs of the Agency. In a year challenged with multiple continuing resolutions and funding delays, OA navigated federal budgeting for the Agency. For the fourth year in a row, the Independent Auditors' Report found no deficiencies in NMB's internal control over financial reporting. OA also initiated hiring across the Agency, as the new Board authorized filling vacant positions to better provide services and allow for necessary succession planning.

Overall, NMB has provided an excellent service to the air and rail carriers, their employees and taxpayers. I am pleased to report that NMB effectively met its statutory obligations in FY 2018.



Kyle Fortson
Chairman

TABLE OF CONTENTS

ABOUT THE NMB

- 04** Mission Statement
- 05** NMB Structure
- 06** NMB Board
- 07** Board Members and Directors
- 10** Registry of Board Members

DISPUTE RESOLUTION, MANAGEMENT & PERFORMANCE

- 12** Mediation & ADR
- 14** ADR Overview
- 16** Administration Overview
- 19** Arbitration Overview
- 23** Performance Plan & Results (GPRA)

REPRESENTATION & PRESIDENTIAL EMERGENCY BOARDS

- 28** Representation Overview
- 32** Presidential Emergency Boards (PEB) Overview

RAILROAD GRIEVANCE ARBITRATION

- 35** NRAB Board Members and Referees
- 36** Section 3 Tribunals

SUPPORTING REPORTS & TABLES

- 39** Case Tables
- 44** Case Record

FINANCIAL REPORTS & MANAGEMENT ASSURANCES

- 51** CFO Letter
- 52** Independent Auditors' Report
- 55** Financial Statements
- 66** Management Assurances

APPENDIX

- 69** Glossary
- 72** Acronyms

ABOUT THE NMB

04 MISSION STATEMENT

05 NMB STRUCTURE

06 NMB BOARD

07 BOARD MEMBERS AND DIRECTORS

10 REGISTRY OF BOARD MEMBERS



**MISSION
STATEMENT**

The National Mediation Board was established by the 1934 amendments to the Railway Labor Act* of 1926. It is an independent, federal agency performing a central role in facilitating harmonious labor-management relations within two of the nation's key transportation sectors: the railroads and airlines.

Overview

The NMB is headed by a three-member board nominated by the President and confirmed by the Senate. Although appointed for three-year terms, members may serve until replaced. The members self-designate a Chairman, typically on a yearly basis.

Pursuant to the Railway Labor Act, the Agency's integrated dispute resolution processes are designed to promote the following three statutory goals, enabling the National Mediation Board to effect its mandate to minimize work stoppages in the railroad and airline industries:

1. The resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
2. The effectuation of employee rights of self-organization where a representation dispute exists; and
3. The resolution of disputes over the interpretation or application of existing collective bargaining agreements.

In order to realize these goals, the NMB has three established program offices. The Office of Mediation Services (OMS), the Office of Legal Affairs (OLA), and the Office of Arbitration Services (OAS). Offices that support all purposes include the Office of Administration (OA), the Office of Fiscal Services (OFS), and the Office of Information Services (OIS). For further information, see the Management Discussion and Analysis section of this Annual Report.

* The Railway Labor Act provides a comprehensive statutory framework for the resolution of labor-management disputes in the airline and railroad industries. Enacted in 1926 as a collaborative effort of labor and management, the RLA succeeded several previous federal statutes dating back to 1888. The 1926 Act provided for mandatory Mediation and voluntary Arbitration of railroad disputes in contract negotiations, as well as for Presidential Emergency Boards to enhance dispute resolution. Key amendments to the Act in 1934 established a three-member National Mediation Board and authorized the resolution of employee Representation disputes by the NMB. In 1936, the jurisdiction of the RLA was expanded to include the airline industry. The 1981 amendment to the Act permitted the creation of specialized Presidential Emergency Boards for collective bargaining disputes at certain commuter railroads.

NMB STRUCTURE

Chairman and Members of the Board

Kyle Fortson¹
Chairman

Gerald W. Fauth, III²
Member

Linda A. Puchala
Member

Kelsey A. Kelleher³
Confidential Assistant

Nancy Guiden⁴
Confidential Assistant

Connor M. Parker⁵
Confidential Assistant

Harry R. Hoglander⁶

Program Offices

OFFICE OF MEDIATION SERVICES

Michael Kelliher⁷
Director

Patricia Sims
Senior Mediator

Terri D. Brown
Senior Mediator

John Kane

John Livingood

Anthony Tosi

Gerry McGuckin

James Mackenzie

Victoria Gray

Jane Allen

Eva Durham

Catherine McCann
Mediators

OFFICE OF ARBITRATION SERVICES

Roland Watkins
Director

Elijah Crayton
Paralegal Specialist

Linda Gathings
Arbitration Program Specialist
(Chicago)

Kimberly McCann⁸
Arbitration Program Specialist
(Chicago)

Eva Clark
Contractor

Sherry Neal-Holmes
Contractor (Chicago)

OFFICE OF LEGAL AFFAIRS

Mary Johnson
General Counsel

Maria-Kate Dowling
Associate General Counsel

Norman Graber
Counsel

Eileen Hennessey
Counsel

Andres Yoder
Counsel

Angela Heverling⁹
Counsel

Tonya Kirksey
Paralegal Specialist

Keith Hussong
Program Support Specialist

Support Offices

OFFICE OF ADMINISTRATION

Samantha T. Jones¹⁰
Director

Denise M. Murdock
Program & Management
Analyst

Eric B. Johnson
Budget & Financial Analyst

Bruce Conward, Jr.
Support Service Specialist

Terran C. Walker
Support Service Specialist

Genet Kidane
Contractor

OFFICE OF FISCAL SERVICES¹¹

Samantha T. Jones¹⁰
Acting Chief Financial Officer
Acting Director

OFFICE OF INFORMATION SERVICES¹¹

Michael Kelliher⁷
Acting Director

April Dawson
Communications Specialist

Charles Montague
Information Technology
Specialist

Dean Wagner
Information Technology
Specialist

Dane Smothers
Contractor

(1) Became Chairman on July 1, 2018.

(2) Served as Chairman from November 9, 2017 through June 30, 2018.

(3) Joined NMB on May 7, 2018.

(4) Joined NMB on February 13, 2018.

(5) Joined NMB on April 30, 2018.

(6) Retired from NMB on November 9, 2017.

(7) Appointed as Acting Director of OIS on May 10, 2018.

(8) Resigned from NMB on December 8, 2017.

(9) Resigned from NMB on November 17, 2017.

(10) Appointed as Acting CFO and Acting Director of OFS on May 10, 2018

(11) Delegation Order created new offices effective May 10, 2018.

NMB BOARD



BOARD MEMBERS AND DIRECTORS



Kyle Fortson

Chairman

Ms. Fortson was unanimously confirmed by the United States Senate on November 2, 2017. She assumed the position of Chairman of the National Mediation Board on July 1, 2018.

Immediately prior to joining the NMB, Ms. Fortson served as Labor Policy Director for Republicans on the Senate Health, Education, Labor and Pensions Committee. She worked directly for the Chairman, Senator Lamar Alexander of Tennessee. As Labor Policy Director, Ms. Fortson was responsible for all labor, employment and workplace safety issues in the Committee's jurisdiction.

During her tenure at the Committee, Ms. Fortson also worked for previous Republican leaders Senator Mike Enzi and Senator Judd Gregg. She previously served as a Policy Analyst for the Senate Republican Policy Committee handling labor and other issues, and as Counsel to a member of the House Judiciary Committee.

She is a graduate of the University of Colorado at Boulder and the George Washington University School of Law.



Gerald W. Fauth, III

Member

Gerald W. Fauth, III was confirmed by the United States Senate on November 2, 2017 and assumed his position as a Board Member. Mr. Fauth served as Chairman of the National Mediation Board from November 9, 2017 through June 30, 2018. Mr. Fauth has 40 years of experience in the private sector and Federal government working on economic, regulatory, public policy and legislative issues related to transportation.

Mr. Fauth has been involved in negotiating, mediating, arbitrating, facilitating, supporting or deciding the resolution of hundreds of transportation problems and disputes during his long career. He has submitted expert testimony and evidence on behalf of a wide-variety of clients in numerous proceedings, which has helped resolve complex economic and regulatory issues. Mr. Fauth served at the U.S. Surface Transportation Board (STB), where he worked for more than three years as Chief of Staff and Senior Advisor to a Board Member. While serving at the STB, he reviewed, analyzed and made recommendations on hundreds of formal written decisions, which involved all matters of STB jurisdiction and had an impact on the transportation industry and the national economy.

Mr. Fauth was previously President of G.W. Fauth & Associates, Inc., a transportation economic consulting firm based in Alexandria, Virginia. Mr. Fauth holds a Bachelor's degree from Hampden-Sydney College in Virginia. He is a member of the Association of Transportation Law Professionals.



Linda A. Puchala

Member

Ms. Linda A. Puchala was first confirmed as Member of the National Mediation Board by the United States Senate on May 21, 2009. Ms. Puchala served as Chairman from May 2009 through June 30, 2009, July 1, 2011 through June 30, 2012, July 1, 2013 through June 30, 2014, and from July 1, 2016 through June 30, 2017. Her most recent Senate confirmation came on November 2, 2017.

Prior to becoming a Member, Ms. Puchala served 10 years at the National Mediation Board as a Mediator, Sr. Mediator (ADR) and the Associate Director of Alternative Dispute Resolution Services. Ms. Puchala's prior labor relations experience includes work as International President of the Association of Flight Attendants-CWA, AFL-CIO and Staff Director, Michigan State Employees Association, AFSCME, AFL-CIO.

Ms. Puchala resides in Glen Burnie, Maryland, and holds a Bachelor's degree in Business Administration from Cleary University in Howell, Michigan.

**BOARD MEMBERS
AND DIRECTORS
(CONTINUED)**



Mary Johnson

General Counsel

As General Counsel, she serves as the Chief Legal Officer of the Agency and manages the Board’s representation program and a legal program which includes litigation. In this role, Ms. Johnson provides legal advice to the Board Members and Agency staff. In addition, she ensures compliance with the Freedom of Information Act, Government in the Sunshine Act, and other statutes.

Ms. Johnson received her Juris Doctor from the University of Connecticut School of Law and her A.B. from Barnard College. She is a member of the Connecticut Bar and public Co-chair of the Railroad and Airline Labor Committee of the Labor and Employment Law Section of the American Bar Association.



Michael Kelliher

Director, Office of Mediation Services

Michael Kelliher is the Director of the Office of Mediation Services, and has been designated the Acting Director of the Office of Information Services. As the DOMS he holds first line supervisory responsibility for the Mediation program. Mr. Kelliher joined the NMB as a Mediator in August of 2010 with thirty years of labor relations experience in the airline industry as a labor advocate. His labor relations experience includes work in a variety of capacities including a term as President of the Association of Professional Flight Attendants.

Prior to joining the NMB, Mr. Kelliher served as an adjunct professor of management in the Brennan School of Business at Dominican University. From 2012 to June 2017, Mr. Kelliher managed the NMB’s partnership with Dominican University, focusing on issues related to Conflict Resolution and Negotiations.

Mr. Kelliher earned his undergraduate degree and MBA from Dominican University in River Forest, Illinois. He holds a certificate in mediation from Northwestern University’s School of Continuing Studies and earned an Ombudsman certificate from the United States Department of Defense.



Roland Watkins

Director, Office of Arbitration Services

Roland Watkins joined the National Mediation Board in February, 1980. During his career at the Board, he has been a Senior Hearing Officer and Legal Counsel. He has also served as counsel/special assistant to numerous Presidential Emergency Boards and Congressional Advisory Boards.

Currently, Mr. Watkins serves as the Director of the Arbitration Department, where he is responsible for all aspects of Grievance and Interest Arbitration in the airline and railroad industries. These responsibilities include administering railroad Public Law Boards, Special Boards of Adjustment and Arbitration Boards. He serves as the Administrator for the National Railroad Adjustment Board which is located in Chicago, Illinois.

Mr. Watkins received his B.A. degree in Economics from Lafayette College located in Easton, Pennsylvania, and his Juris Doctor from Cornell Law School in Ithaca, New York. He is a member of the Railroad and Airline Labor Committee and the Dispute Resolution Committee of the Labor and Employment Law Section of the American Bar Association.

BOARD MEMBERS AND DIRECTORS (CONTINUED)



Samantha T. Jones

Director, Office of Administration and Acting Chief Financial Officer

Samantha T. Jones is the Director of Office Administration and the Acting Chief Financial Officer at the National Mediation Board. During her tenure at the NMB, she has served in many leadership roles including Acting Director of the Office of Administration, Special Assistant to the Chief of Staff, and most recently as the Assistant Chief of Staff-Administration, and the Chief Financial Officer.

Her federal government experience, which spans 20 years, includes human resources, human capital, budget formulation and execution, financial management, procurement and contracting, audit management, strategic planning, organizational management, mediation, grievance mediation, and conflict coaching. She is responsible for guiding strategic human capital initiatives, overseeing human resources operations and the Board's administrative management functions including strategic planning; budgeting formulation and execution; accounting and finance; space and facilities management; telecommunication management; supply management; procurement and contracting; and audit review. In addition, she provides an overall management framework to support the Agency's internal operational and resource management work that enables NMB to effectively execute its mission.

Prior to joining the NMB in 2005, Ms. Jones was employed by the National Capital Planning Commission where she served in many capacities providing advice and guidance to the Administrative Officer and senior management on matters related to property management, space and facility management, procurement, human resources management, strategic planning, accounting and finance, and budget formulation and execution.

Ms. Jones holds a Bachelor of Science in Business Management with a minor in Computer Studies from the University of Maryland, she also holds a Master of Arts in Conflict Resolution from Dominican University, and she holds a Certificate in Executive Leadership and a Certificate in High Performance, both from Cornell University.

Additionally, Ms. Jones, an Emerging Human Resources alumni from the non-profit organization Partnership for Public Service Program, has certifications in Mediation Skills, Conflict Coaching, and Online Dispute Resolution. At Cornell University's ILR School, The Scheinman Institute on Conflict Resolution, she received training in Mediating and Arbitrating in the Federal Sector. Ms. Jones is a member of the Association for Conflict Resolution, and also serves as NMB's principal management official on the Small Agency Council Executive Committee for Human Resources and Procurement.

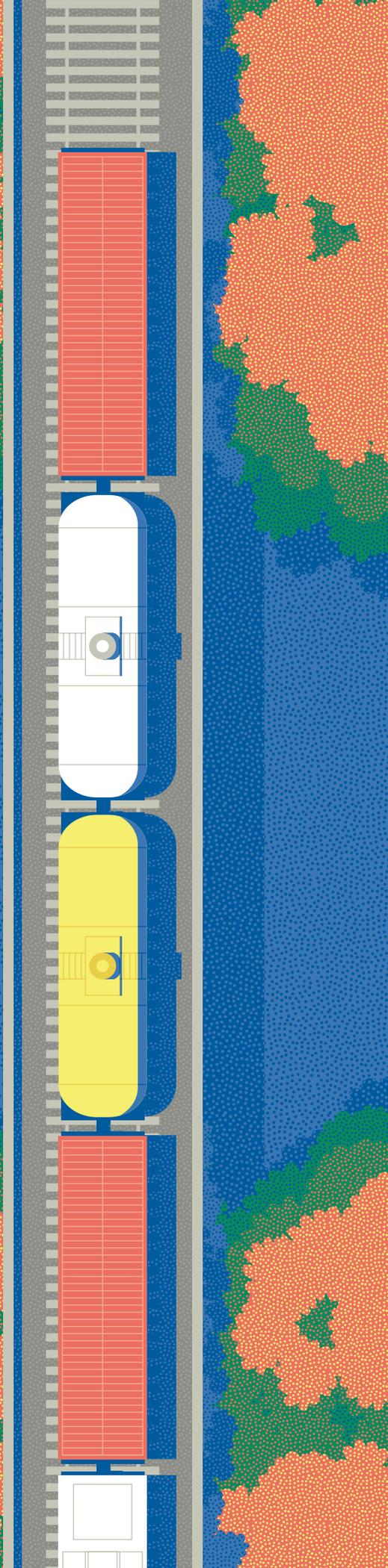
**REGISTRY
OF BOARD
MEMBERS**

NAME	START DATE	END DATE
Kyle Fortson	11-13-17	Active ¹
Gerald W. Fauth, III	11-09-17	Active ²
Linda A. Puchala	05-26-09	Active ³
Harry R. Hoglander	08-06-02	11-09-17 ⁴
Nicholas C. Geale	08-19-13	02-15-17
Elizabeth Dougherty	12-13-06	06-02-12
Read Van de Water	12-11-03	05-22-09
Edward J. Fitzmaurice, Jr.	08-02-02	12-13-06
Francis J. Duggan	11-22-99	11-21-03
Magdalena G. Jacobsen	12-01-93	08-02-02
Ernest W. DuBester	11-15-93	08-01-01
Kenneth B. Hipp	05-19-95	12-31-98
Kimberly A. Madigan	08-20-90	11-30-93
Patrick J. Cleary	12-04-89	01-31-95
Joshua M. Javits	01-19-88	11-14-93
Charles L. Woods	01-09-86	01-15-88
Helen M. Witt	11-18-83	09-18-88
Walter C. Wallace	10-12-82	07-01-90
Robert J. Brown	08-20-79	06-01-82
Robert O. Harris	08-03-77	07-31-84
Kay McMurray	10-05-72	07-01-77
Peter C. Benedict	08-09-71	04-12-72
David H. Stowe	12-10-70	07-01-79
George S. Ives	09-19-69	09-01-81
Howard G. Gamser	03-11-63	05-31-69
Robert O. Boyd	12-28-53	10-14-62
Leverett Edwards	04-21-50	07-31-70
John Thad Scott, Jr.	03-05-48	07-31-53
Francis A. O'Neill, Jr.	04-01-47	04-30-71
Frank P. Douglass	07-03-44	03-01-50
William M. Leiserson	03-01-43	05-31-44
Harry H. Schwartz	02-26-43	01-31-47
David J. Lewis	06-03-39	02-05-43
George A. Cook	01-07-38	08-01-46
Otto S. Beyer	02-11-36	02-11-43
John M. Carmody	07-21-34	09-30-35
James W. Carmalt	07-21-34	12-02-37
William M. Leiserson	07-21-34	05-31-39

(1) Term expiring July 1, 2019.
(2) Term expiring July 1, 2020.
(3) Term expired July 1, 2018.
(4) Retired from the Board on November 9, 2017.

DISPUTE RESOLUTION, MANAGEMENT & PERFORMANCE

- 12 MEDIATION & ADR
- 14 ADR OVERVIEW
- 16 ADMINISTRATION OVERVIEW
- 19 ARBITRATION OVERVIEW
- 23 PERFORMANCE PLAN & RESULTS (GPRA)



**MEDIATION
& ADR**

The Office of Mediation Services manages mandatory mediation of collective bargaining disputes pursuant to statutory authority under Section 6 of the Railway Labor Act, which is applicable to both the airline and railroad industries. In addition to statutory mediation and arbitration services under Sections 3 and 6 of the RLA, the NMB provides voluntary Alternative Dispute Resolution (ADR) services.

Mediation Overview

The RLA requires labor and management to exert every reasonable effort to make and maintain collective bargaining agreements. Initially, the parties must give notice to each other of their proposals for new or revised agreements. Direct negotiation between the parties must commence promptly and continue in an effort to reach a new collective bargaining agreement or to narrow their differences. Should parties fail to reach agreement during direct negotiations, either party or the parties jointly may apply to the NMB for mediation. Following receipt of an application, the NMB promptly assigns a mediator to assist the parties in reaching an agreement. An application for NMB mediation services may be obtained from the Agency's website at www.nmb.gov.

The NMB is obligated under the Act to use its "best efforts" to bring about a peaceful resolution of the dispute. If such efforts do not settle the dispute, the NMB advises the parties and offers Interest Arbitration (proffers arbitration) as an alternative approach to resolving the remaining issues. If either party rejects this offer of binding arbitration, the NMB releases the parties from formal mediation. This release triggers a thirty-day cooling-off period, during which the Agency continues to work with the parties to achieve a consensual solution to the dispute. However, if an agreement is not reached by the end of the thirty-day period and the President of the United States does not establish an Emergency Board, the parties are free to exercise lawful self-help, which includes carrier-imposed working conditions or a strike by the union/organization.

A flow-chart of mediation procedures can be found in the Mediation section of the NMB website at www.nmb.gov.

Mediation Highlights

Mediation of collective bargaining agreements was successful in FY 2018. Mediators effectively used their skills to assist parties in finding ways to bridge their disputes and reach agreement. Agreements were mediated in the airline sector with passenger and cargo carriers, and in the rail sector with freight and commuter lines. Challenges at the bargaining table included consolidating agreements after mergers, and dealing with health care changes.

Settlements

A total of nineteen cases settled in the airline sector in FY 2018. Among those, settlements were reached with Spirit and its ALPA Pilots, Northern Air Cargo and Aloha Air Cargo and their IBT Pilots, and with JetBlue and its ALPA Pilots. Settlements were also achieved with Allegiant and its TWU Flight Attendants, and Mesa and its AFA Flight Attendants, as well as with PSA and its IAM Mechanics.

In the rail sector, a total of twenty-five cases settled this fiscal year. Settlements were reached with the National Carriers' Conference Committee and unions representing more than 150,000 of their employees. Amtrak and its BRS Signalmen, the New England Central Railroad and its BLET Engineers, and Pan Am Railways and its BMWED Maintenance of Way workers also reached settlements during the fiscal year.

MEDIATION CASES

Pending Cases

Sixty-eight cases remained open at the close of FY 2018. In the airline sector, our work has been ongoing with ExpressJet and their IAM Flight Attendants in a very dynamic environment, with British Airways and their IAM represented Maintenance Engineers and Passenger Service and Customer Service Employees, as well as on an agreement between Frontier and its ALPA Pilots.

On the rail side, we continue to work with the Wheeling and Lake Erie Railway and their BLET Engineers and Conductors, and with the Providence and Worcester Railroad and their BRS Signalmen. In the area of commuter rail, we are working with PATH and eight of its unions to reach agreements, with Keolis and ten of its unions, and with SEPTA and five of its unions.

A chart reflecting the actual Mediation case numbers for FY 2017 and FY 2018, and the five-year average, FY 2014 – FY 2018 follows:

START PENDING



NEW



SUM



CLOSED



END-PENDING



* System adjustment.

**ALTERNATIVE
DISPUTE
RESOLUTION****ADR Overview**

The primary goal of the NMB's ADR program is to assist the parties in learning and applying more effective, less confrontational methods for resolving disputes. Another goal is to help the parties resolve more of their own disputes without outside intervention, and to use appropriate technology to increase the efficiency and reduce the cost of dispute resolution efforts for the parties.

The NMB established its ADR services program with the conviction that the use of ADR methods would result in fewer cases progressing to statutory mediation, reducing and narrowing the issues that the parties bring to mediation, and positively affecting working relationships among the parties.

A complete description of and an application for ADR services may be found on the Agency's website at www.nmb.gov.

ADR Highlights

ADR personnel continued to develop and deliver a wide range of services, including grievance mediation, training, facilitation and facilitated problem solving, and use of appropriate technology to increase the efficiency and reduce the cost of dispute resolution efforts for the parties. These services included training programs and facilitation efforts outside of, and in addition to traditional grievance mediation work. In the grievance mediation area, mediators assisted the parties in resolving more than 80% of docketed grievances, saving both the parties and the NMB time and financial resources.

Grievance Mediation

Interest in grievance mediation continues to grow with the parties we serve in both the air and rail sectors. Activity in the rail sector in particular has grown with the ADR Ambassador Program, which pairs a mediator with a particular rail carrier and its unions to advance alternatives to arbitration. Grievance mediation also serves to solve problems before they become grievances, and helps to clarify issues ahead of bargaining. A total of thirty-seven grievance mediation cases remained active at the close of FY 2018.

Training

ADR services has seen interest grow in its various training programs. NMB mediators are skilled at instructing, and in FY 2018 mediators regularly trained parties as they began facilitation or grievance mediation cases, or when they encountered problems during negotiations.

Facilitation

Facilitation plays an important role in helping parties to reach common ground. It offers carriers and unions a way to reach agreement outside the stricter confines of traditional mediation. With each experience, the NMB's knowledge base grows, and best practices from the process increase to the parties' benefit.

Technological Dispute Resolution

Technology continues to play an important role in resolving disputes in the air and rail industries. Especially when timing is critical, or when information exchange is beneficial between sessions, technology helps to bridge the gap. In other instances when circumstances prevent in person meetings, online capabilities allow mediation sessions to continue.

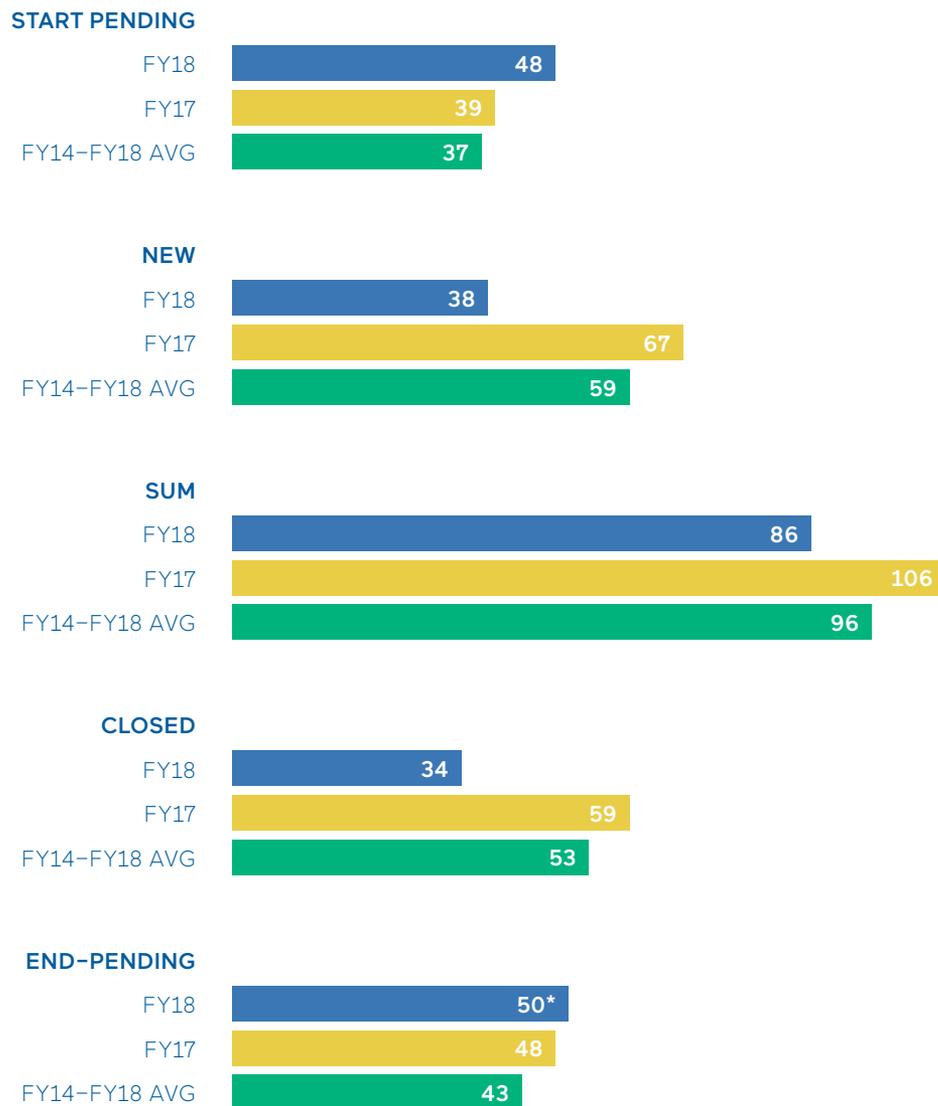
ADR CASES

Pending Cases

Much of ADR case work opens and closes in quick succession, however, grievance mediation cases stay open for many years. The Agency considers that a success because it means the parties find value in the process that helps them to find resolution to the individual disputes that we work on. Mediators manage a docket of claims or grievances at each session and work them to conclusion. On one property, the parties submitted a docket of 392 claims and settled all of them. On another property, settlement of 11 issues resolved a total of 294 underlying claims. On a third property, 20 claims were docketed, 8 were settled, 8 were withdrawn, and 4 continued to arbitration.

A total of fifty ADR cases remained active at the close of FY 2018.

A chart reflecting the actual ADR case numbers for FY 2017 and FY 2018, and the five-year average, FY 2014 – FY 2018 follows:



* System adjustment.

**ADMINISTRATION
OVERVIEW**

The Office of Administration provides operational management, leadership and support for the entire Agency. These services include: budgeting; accounting and finance; human resources management; procurement and contracting; telecommunications; property and space management; and office support.

Human Capital

The Office of Administration (OA) continues to utilize online services in the personnel arena, which increased the efficiency and effectiveness, and the results of which can be seen in the Agency hiring process. For internal postings, the NMB routinely completes the hiring process within 30 days. In cases involving delegated examining positions, the NMB continues to show movement toward the 80 day standard process. The NMB continues to use the E-verify system to ensure that all new appointees are eligible to work.

With the aging workforce at the NMB, succession planning continues to be a challenge, but the Agency’s new Succession and Workforce Plan analyzes the NMB’s future staffing requirements and sets forth strategies for adequately recruiting, promoting, and retaining employees. Training plans, both through the Individual Development Plans (IDP) and the department training plans, stress career development, including details and shadow assignments as a way to broaden skills and prepare for job transitions. The Agency uses internal details when possible to broaden skills and give staff exposure to a range of work possibilities within the Agency.

The NMB has devoted more attention and resources to training and has provided meaningful training program opportunities for our employees. The NMB continues to provide subscriptions to Manager Advantage for supervisors and managers. Manager Advantage is an online information service for managers and supervisors. The information is based on case law, statutes and regulations. It provides extensive federal policy and guidance for supervisors and managers. This information is obtained from the vendor LRP Publications’ experienced attorney editors and senior editorial staff who have gathered and then converted the information in easy-to-understand major categories, key topics, scenario-based videos and more. Manager Advantage breaks down the complexities of federal civil service law to provide managers with practical, authoritative guidance in easy-to-understand terms while also providing essential tools for developing necessary leadership and managerial skills from one definitive source. OA is working with the Office of Personnel Management and the Department of Interior to improve the NMB’s human capital operations and payroll. This will continue the NMB’s objective of providing all its services electronically. In April 2018, OA provided all NMB managers and supervisors Telework Fundamentals-Managers Training. Also, OA provided Telework Fundamentals-Employee training to all NMB employees.

Information Technology

In accordance with the NMB’s Capital Plan, the NMB reviewed options for its information technology equipment while taking steps to move completely into cloud computing. The NMB has implemented the transition to Google Mail, Google Drive and Google Calendar for all employees, with all records and documents stored and retrieved from secure cloud servers. This has resulted in the elimination of on-site servers, with the attendant savings in replacement and maintenance costs, and a reduced cost for network consulting services. The Agency also has moved the NMB’s Corporate Memory and Knowledge Store to a cloud platform consistent with government requirements.

Federal Agencies are required to provide annual computer security awareness training for employees and contractors. Security awareness efforts are designed to change behavior or reinforce good security practices by focusing attention on security. In September 2018, the NMB kicked off its Cyber Awareness Challenge security training using a web-based training offered by KnowBe4.

Continuity of Operations

The NMB participated in FEMA's Eagle Horizon 2018 (EH 2018), which was conducted as part of the National Exercise Program (NEP) Capstone Exercise on May 4, 2018. It was a one-day, internally-evaluated table top exercise to test the Federal Executive Branch Departments and Agencies' readiness and capabilities to execute their continuity program.

The NMB was required to activate its continuity plan, deploy continuity personnel to a continuity site, and perform essential functions. At the conclusion of EH 2017, participants, planners, and evaluation teams noted their observations and identified critical issues associated with the Agency's continuity plans and programs. The NMB's overall rating for the EH 2017 was "green", the highest rating available. This was NMB's second overall "green". The overall rating for EH 2018 has not been published.

Financial Performance

The NMB has continued its inter-agency agreement with the Bureau of Fiscal Services (BFS) for financial management services. The OA provides budget planning, budget development, and oversight of budget execution. In addition, OA is responsible for the maintenance of the Agency's core accounting system; financial reporting to the Office of Management and Budget (OMB) and Treasury; payments to vendors for goods and services received; issuing bills; and the preparation of the Agency's financial statements which are audited on an annual basis. The NMB continues to work with an outside firm (Allmond & Company) to audit its financial statements. For the twentieth consecutive year, Allmond & Company reported that the financial statements were presented fairly, in all material respects, and in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for Federal Agencies. In the FY 2017 independent audit, the NMB received an "Unmodified Audit Opinion" on its financial statements. Along with the "Unmodified Audit Opinion," the report of independent auditors found "No Material Weaknesses or Significant Deficiencies" in the design and operation of the agency's system of internal controls over financial reporting.

The audit opinion reflects a financial operation that meets U.S. Department of the Treasury guidance, OMB guidance, federal financial regulations, and generally accepted accounting principles.

Procurement

With the continued partnership with BFS, the NMB utilizes PRISM to electronically create requisitions, purchase orders, and inter-agency agreements. This system, along with new processes and procedures, is ensuring that the NMB complies with all applicable rules and regulations governing contracting.

In Fiscal Year 2018, there were improvements substantially exceeding the Small Business Administration's Government-wide goal to ensure that small businesses get their fair share of work with the federal government by awarding the following entities:

- Small Business Goal 23 percent – Actual awards 74.63 percent;
- Small Disadvantage Business Goal 5 percent – Actual awards 63.32 percent;
- Small-Disabled Veteran-Owned Small Business Goal 3 percent – Actual awards 5.3 percent;
- Women-Owned Business Goal 5 percent – Actual awards 8.12 percent; and
- Historically Underutilized Business Zones Goal 3 percent – Actual awards 0 percent

In June 2018, BFS conducted an annual Government Purchase card audit review on the purchase card holder's transactions. BFS's results concluded that the purchases were well documented and necessary for the completion of NMB's mission.

**ADMINISTRATION
OVERVIEW
(CONTINUED)****Travel**

The NMB currently uses the Concur Government Edition (CGE) Travel Services. CGE is an electronic online system which reduces the per-ticket cost for travelers. This system provides an electronic process for authorization, vouchers, and reimbursement. The NMB continued its agreement with Duluth Travel Inc., to serve as the Agency's Travel Management Company. In September 2018, OA provided all NMB employees with the following General Service Administration (GSA) travel training course:

- Travel Basics 101
- Approving Official Responsibilities
- Attending A Conference 100
- FTR In-Depth
- Fly America Act & Open Skies Agreements

OA continues to provide all NMB travelers with the Government Credit Card Refresher training to ensure that the Agency meets the refresher training required by OMB in Circular A-123, Appendix B.

Electronic Government

The NMB provides electronic access to all its policies, and the Agency continues to use the NMB website to provide information to its internal and external customers. The website provides access to our internal customers by allowing them to access NMB internal forms, the Knowledge Store (providing current and historical information to the public and our external customers), and the NMB Lyceum Training Center.

NMB Corporate Memory

The NMB continues to refine its records and document management programs, improving the search engine and further integrating the records database with the Agency case management system.

NMB Knowledge Store

NMB staff continued to build and improve the public archive of information available through the NMB Knowledge Store. Currently, the NMB Knowledge Store contains over 100,000 documents in an easily searchable format, including arbitration awards, representation decisions, annual reports, PEB reports, and collective bargaining contracts.

Sustainability

The National Mediation Board is committed to reducing greenhouse gases in accordance with Executive Order 13514. During 2018, 86 percent of the NMB employees regularly used public transportation. The Agency provides Alternative Work Schedules (AWS) and Telework programs to its employees to reduce the number of commuters. Currently, 31 out of 36 employees participate in the Smart Benefits program for public transportation. We also purchased new environmentally efficient copiers that generate 90 percent less waste than traditional copiers.

ARBITRATION OVERVIEW

The RLA provides for both grievance and interest arbitration. Access to grievance arbitration, involving the interpretation or application of an existing collective bargaining agreement, is mandatory under the RLA. The Board has significant administrative responsibilities for the three sources of grievance arbitration in the railroad industry. These sources are the National Railroad Adjustment Board established under the RLA, as well as the arbitration panels established directly by the labor-management parties at each railroad (Public Law Boards and Special Boards of Adjustment). Grievance arbitration in the airline industry is accomplished at the various System Boards of Adjustment created jointly by labor and management at the parties' expense. The Board furnishes panels of prospective arbitrators for the parties' selection in both the airline and railroad industries.

The NMB has substantial financial responsibilities for railroad arbitration proceedings in that it pays the fees and travel expenses of the arbitrators. Arbitration decisions under the RLA are final and binding with very limited grounds for judicial review.

Interest Arbitration

Interest Arbitration is a process used to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations. Although the RLA provides an effective process for interest arbitration, its use is not statutorily required. The NMB offers the parties the opportunity to use interest arbitration when the Board has determined that further mediation efforts will be unsuccessful. In addition, the parties may directly agree to resolve their collective bargaining dispute or portions of their dispute through interest arbitration. The NMB generally provides the parties with panels of potential arbitrators from which they select the individual to resolve the dispute. In some instances, the parties' agreement to arbitrate allows the NMB to directly appoint an arbitrator. The interest arbitration decision is final and binding with very narrow grounds for a judicial appeal.

Arbitration - Section 3 Highlights

The Office of Arbitration Services directed its attention to promoting a more efficient Section 3 process, thereby fostering faster resolution of minor disputes (grievances). The NMB made a well-received move in this regard during FY 2018 by targeting the backlog of grievance arbitration cases for resolution and increasing the number of arbitrators available to hear and decide cases and introducing more technology to the administrative processing of cases with its arbitrators. The NMB ended FY 2018 with a reduction in pending cases when compared to the cases pending at the end of FY 2017. The 6,408 cases pending at the end of FY 2018 is 2,142 fewer cases than those pending at the end of FY 2017. The decrease is attributed to a large number of cases assigned to arbitrators for resolution and an increase use of grievance mediation.

The NMB Arbitration program continued its efforts to modernize the processing of minor disputes. The Agency continued its already successful program of using the NMB website as a source for many of the forms and documents needed by arbitrators and the parties. The Agency has a section on grievance mediation in the arbitration menu on the website. The section provides information on grievance mediation as well as online courses in the Lyceum Training Center section of the website. The Agency posted information on its Ambassador Program on the website.

During FY 2018, the NMB revised the Arbitrator Work Space (AWS), which has been in operation for several years. The Arbitrator Work Space is a web based information system which gives arbitrators online access to their case information. This system is used by the arbitrators to request work and submit requests for compensation for work. The Arbitrator Work Space replaced numerous hard-copy forms.

**ARBITRATION
OVERVIEW
(CONTINUED)**

Arbitrators are able to use the AWS to schedule their work on the cases. This fiscal year, the Agency updated a section of the AWS which now requires arbitrators to work on overage cases prior to performing work on any new cases. The AWS system also includes a case management system component for NMB staff.

This fiscal year, the Agency placed NRAB Division Awards templates on the website to assist the arbitrators in performing their duties as neutrals. This will ensure consistency in the reporting of awards.

The Arbitrator Work Space now closes cases quicker and shortens the time for the adding of cases. The level of grievance activity handled through the NMB Arbitration program exceeded its level when compared to the activity in FY 2017. During FY 2018, the parties brought 4,280 cases to arbitration compared to 4,148 cases in FY 2017. In FY 2018, 6,422 cases were closed compared to 3,057 in FY 2017, leaving 6,408 cases pending at the end of FY 2018.

On several occasions during the fiscal year, the Agency met with representatives from the labor organizations and carriers to review its caseload. Carriers included Canadian National Railway, Norfolk Southern Corporation, Union Pacific Railroad, Burlington Northern Santa Fe, Kansas City Southern Railway, and CSX Transportation. The NMB also met with carriers engaged in the transportation of passengers such as Amtrak, Metro-North Railroad, SEPTA, New Jersey Transit, and Metra. The Office of Arbitration Services met with all of the labor organizations representing employees in the railroad industry. NMB efforts have been directed to facilitating a more efficient Section 3 process under the RLA, thereby reducing the backlog and furthering the RLA objective of prompt resolution of minor disputes.

The NMB continued its efforts designed to improve the arbitration of grievances under Section 3 of the Railway Labor Act. The Board had five ambitious goals for this transformation: (1) to ensure that the parties receive timely and outstanding arbitration services from the Board's staff and its contract arbitrators; (2) to ensure that the Board uses e-business capabilities to the maximum extent possible; (3) to ensure that Board procedures are improved through a process involving public input; (4) to ensure that arbitrators schedule, hear, and decide cases in a timely manner; and (5) to ensure that NMB resources are used wisely and in accordance with Federal regulations and sound accounting practices.

Annual Case Audit

In June 2018, the NMB conducted an intensive audit of all pending cases before Public Law Boards and Special Boards of Adjustment. The Agency provided the Class I freight railroads, commuter railroads, regional railroads and all labor organizations representing railroad employees with a list of cases pending on these boards. The feedback from the audit enhanced the accuracy of the NMB case management system.

Alternative Dispute Resolution In The Railroad Industry

The NMB actively promoted grievance mediation as an alternative means of dealing with grievances in the railroad industry by reaching out to the largest Class I freight carriers and the labor organizations. During FY 2018, Arbitration Services made presentations at a meeting of Class I freight railroads and the labor organizations. The NMB anticipates continuing this initiative during FY 2019. The NMB had several grievance mediation cases with carriers in the railroad industry during 2018. Mediators were assigned to specific Class I freight railroads to assist the carrier and the various labor organizations in resolving minor disputes prior to arbitration.

Arbitrator Productivity

The NMB continued its efforts to increase arbitrator productivity as a result of strict adherence to the three month rule. Arbitrators who have not issued a decision within three months of a hearing are contacted monthly and encouraged to issue those decisions. A feature was added to the AWS to ensure that arbitrators give priority to these cases.

ARBITRATION OVERVIEW (CONTINUED)

The Agency continued its already successful program of using the NMB website as a source for many of the forms and documents needed by arbitrators and the parties. The NMB used the website to keep the parties and the public informed regarding Section 3 activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. In FY 2018, the Agency posted additional information on the AWS System on the NMB website. The Arbitrator Caseload Report was revised. The report shows by arbitrator, grievance cases of railroad employees the parties have chosen to pursue. It also indicates whether a case is late (i.e., a decision has not been rendered within 3 months of when a case was heard by the arbitrator). The Arbitrator Caseload Report is real-time in that it has a direct link to an NMB database reflecting updates as they are made by Arbitration Services staff. The availability of information on the website reduces the staff time which ordinarily would be required to respond to questions and requests. The NMB has also placed an NMB National Railroad Adjustment Board Open Case Report on the website. This report lists all of the open cases at the NRAB. With this report and the Arbitrators Caseload Report, the NMB's entire Section 3 caseload is on the NMB website (www.nmb.gov).

Establishment Of The 60 Day And 120 Day Rule

This fiscal year was the second full year using the NMB's procedures to expedite the processing of cases. When a case is assigned to an arbitrator, within 60 days, one of the three must be initiated, (1) the case must have been decided and the award submitted or (2) the case heard by an arbitrator or (3) the cases must have been scheduled for a hearing. If the case is scheduled for a hearing, the scheduled date must be within 120 days of the date of assignment. Once the case has been heard, the arbitrator must render the award within 90 days of the hearing.

At the start of FY 2018, this rule was made a part of the NMB's contractual arrangement with railroad arbitrators. This fiscal year the rule was programmed into the AWS.

Knowledge Store

The NMB further expanded its use of technology at the NRAB. All NRAB awards are entered into the Knowledge Store at the same time that they are distributed to the parties. Parties have been trained to enter awards into the Knowledge Store. In some instances, valid awards are entered within 24 hours of completion.

Arbitration Info Series

During FY 2018, the Office of Arbitration Services continued its info series on Arbitration and Section 3 topics. Using the NMB's Lyceum Training Center, the NMB posted several information film segments on various topics and issues in arbitration under the Railway Labor Act.

**ARBITRATION
CASES**

START PENDING



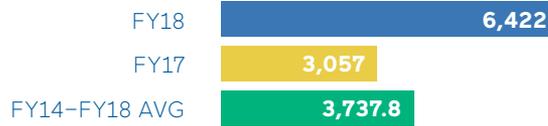
NEW



SUM



CLOSED



END-PENDING



* A review of the automated case management system resulted in an additional 4 cases pending at the beginning of the fiscal year.

This report contains FY 2018 accomplishments of the National Mediation Board relating to goals and objectives for Mediation and Alternative Dispute Resolution; Representation; Arbitration; and Administration. These accomplishments enabled the NMB to meet its statutory obligations and provide services to its airline and railroad labor, management and public customers.

Mediation & ADR Strategic Goal

The resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements.

1. To provide prompt and appropriate assistance for disputes involving pay, work rules, and working conditions (major disputes).

FY 2018 Accomplishments

NMB standards applicable to processing and managing cases involving major disputes were consistently met in FY 2018. We continue to upgrade case processing with enhancements to and refining of the Agency's Mediation Case Management System to track cases from application to closure.

Case management was accomplished as planned with mediators utilizing appropriate techniques at the table and supported by senior mediators acting in an oversight role. Quarterly reviews of cases one year old or older by Board Members and senior mediation management insured that parties to the process received assistance appropriate for their case.

2. Provide appropriate and effective mediator training and continuous development.

FY 2018 Accomplishments

Through the use of Individual Development Plans (IDP) each mediator participated in training and development that met their individual needs. In addition, training covering industry specific topics was conducted at each mediator meeting.

Mediators attended conferences such as the Association of Labor Relations Agencies annual conference, the Federal Mediation and Conciliation Service Labor-Management conference, the American Bar Association's conferences on the Railway Labor Act, Dispute Resolution and Employment and Labor Law, and the Texas Labor Management Conference.

3. Pursue innovation in the delivery of mediation and alternative dispute resolution services.

FY 2018 Accomplishments

The Agency launched its negotiation training developed for air and rail parties to use to prepare for negotiations, adding that course to other course offerings to assist parties in dispute resolution. Mediators continued to refine ADR strategies and techniques that addressed the unique needs of our parties, especially in grievance mediation.

The ADR Ambassador Program launched in FY 2017 pairs a mediator with a particular rail carrier and its unions to advance alternatives to arbitration. More than 80% of docketed grievances are disposed of using grievance mediation.

4. Improve efficiency and effectiveness of NMB programs by providing leading online dispute resolution (ODR) technology and techniques to the mediators and the parties.

FY 2018 Accomplishments

The Agency continues to explore uses for technology in dispute resolution and offer it to our parties. Mediators make use of technology to remotely share information and language, to track changes in language, and to discuss proposals. Technology has been helpful in continuing the mediation process when travel to meet in person with the parties is restricted.

Representation Strategic Goal

The effectuation of freedom of association and employee rights of self-organization where a representation dispute exists.

When presented with a question regarding representation, the NMB staff conducts investigations, ascertains the status of the group or individual seeking to represent workers, conducts representation elections, certifies the results of the election, and handles inquiries or challenges to the election.

1. Prompt investigation of representation disputes and definitive resolution of employees’ representation status for collective bargaining purposes.

FY 2018 Accomplishments

In most cases, OLA responded to representation applications within 2 business days of receipt by the NMB; assigned an investigator within 2 business days of receipt of the application; determined showing of interest within 45 days of docketing an application; and issued a certification or dismissal the next business day after the ballot count.

2. Enhance training and development of OLA staff.

FY 2018 Accomplishments

Each OLA staff member updated their Individual Development Plan (IDP). Each year OLA employees meet with their manager to update or develop a plan to enhance career related skills. In Fiscal Year 2018, OLA staff took classes related to the Freedom of Information Act (FOIA), records management, government ethics, the Railway Labor Act, federal sector personnel law, conflict resolution and employment law. In 2018, OLA began the recruitment process for two new attorneys.

3. Enhance outreach opportunities in the legal, labor relations and alternative dispute resolution communities to better inform stakeholders about developments and increase the skills and experience of OLA employees.

FY 2018 Accomplishments

Members of the Office of Legal Affairs continue to actively participate as panelists and attendees at conferences sponsored by the American Bar Association, American Law Institute, the National Association of Railroad Referees and the Association of Labor Relations Agencies. This year OLA attorneys gave presentations on the Railway Labor Act; Ethics, recent RLA case developments, and remedies under the RLA. OLA continued to participate in intra-governmental initiatives with other federal agencies such as the Department of Transportation, Federal Labor Relations Authority, Department of Labor, National Labor Relations Board, and the Federal Mediation and Conciliation Service. OLA attorneys serve as both Senior Editors and Contributing Editors of the Railway Labor Act treatise published by Bloomberg/BNA and this year completed the fourth edition of this treatise.

4. OLA staff provides prompt and efficient assistance to Presidential Emergency Boards.

FY 2018 Accomplishments

All OLA staff members are trained on Emergency Board Procedures. OLA maintained continuous industry and agency communication at a level that provided for early preparation for potential Presidential Emergency Boards.

5. OLA maintains concise, relevant reference materials that are readily available to the public and which reduce the number of man-hours used to research and respond to inquiries.

FY 2018 Accomplishments

OLA conducts semi-annual reviews of the Representation Manual and website, updating where appropriate. On June 12, 2018, the NMB updated its Representation Manual to include a clarification of the Board's criteria for determining management official status and to emphasize that the Board will not consider on appeal evidence not submitted to the Investigator during the investigation.

6. Expand the use of technology to further streamline and reduce costs in representation and interference investigations.

FY 2018 Accomplishments

OLA continued to investigate use of voice recognition software and other cost and time saving mechanisms in taking employee statements during interference investigations and drafting representation determinations.

Arbitration Strategic Goal

To facilitate the settlement of disputes arising from the implementation or interpretation of existing agreements covering rates of pay, work rules, and working conditions.

1. Arbitration will provide outstanding service delivery to internal and external customers.

FY 2018 Accomplishments

An audit was conducted of the administrative caseload processes, and procedures governing Public Law Boards and System Boards of Adjustments were reviewed with the goal of streamlining. Procedures at the NRAB were also reviewed. Electronic processing of cases was introduced at the NRAB resulting in a change by the NRAB in its procedures for processing cases. Grievance mediation/arbitration was introduced to successfully resolve several cases at the NRAB.

2. To engage in active roster development for the contract arbitrators serving the airline and railroad industries.

FY 2018 Accomplishments

NMB worked with the outside professional associations to increase the diversity of its applicants for the NMB's Arbitrators Roster. NMB participated in an arbitrator training program with a major organization representing diverse arbitrators to introduce more arbitrators to railroad and airline arbitration.

3. The Office of Arbitration Services will be a center of innovation in the resolution of "minor" disputes.

FY 2018 Accomplishments

The NMB met with railroad labor and management officials several times during FY 2018 to discuss innovation to improve the program. NMB also continued its review of all grievance mediation cases. The NMB met with labor and carrier representatives at the NRAB to implement the electronic processing of cases at the NRAB.

**PERFORMANCE
PLAN & RESULTS
(GPRA)
(CONTINUED)**

Administration Strategic Goal

To support the program missions of the Agency and provide outstanding administrative services.

1. Provide outstanding service delivery to internal and external customers.

FY 2018 Accomplishments

The Office of Administration responded to all requests for assistance or service from internal and external customers as soon as received. In addition, new Employee Orientation training was completed for each new employee.

2. Provide timely, efficient and responsible stewardship of the NMB’s fiscal resources.

FY 2018 Accomplishments

The NMB worked with BFS to ensure that required financial reporting is prepared and submitted timely. The NMB worked with BFS to ensure that 99.1% of payments were paid timely and accurately.

3. Ensure agency spending and budgets are transparent and provide the necessary support for each of the Agency’s missions throughout the whole fiscal year.

FY 2018 Accomplishments

The NMB has an agreement with BFS to handle the Agency’s financial management system, and the Agency integrated PRISM (a web-based procurement system) into its procurement process. The NMB works with the BFS on a regular basis to ensure that the Agency’s quarterly apportionment is not exceeded.

4. Improve Agency efficiency and public communications through cost effective information and communications technology improvements, including implementing Enterprise Architecture (design, secure and document) the emerging cloud, mobile, and other mechanisms.

FY 2018 Accomplishments

The NMB completed its transition into the cloud environment for e-mail, calendars, contacts, and records. With this change, the NMB eliminated the majority of its in-house servers and made possible a revision and reduction in price of its network support contract.

5. Continue to ensure that NMB Information is secure while maintaining a government-leading information and communication technology system.

FY 2018 Accomplishments

The NMB ensures that all information that contains Private Personnel Information (PPI) is password protected when transmitted electronically.



REPRESENTATION & PRESIDENTIAL EMERGENCY BOARDS

28 REPRESENTATION OVERVIEW

32 PRESIDENTIAL EMERGENCY BOARDS (PEB) OVERVIEW

REPRESENTATION OVERVIEW

Under the Railway Labor Act, employees in the airline and railroad industries have the right to select a labor organization or individual to represent them for collective bargaining. Employees may also decline representation. An RLA representational unit is “craft or class,” which consists of the overall grouping of employees performing particular types of related duties and functions. The selection of a collective bargaining representative is accomplished on a system-wide basis, which includes all employees in the craft or class anywhere the carrier operates in the United States. Due to this requirement and the employment patterns in the airline and railroad industries, the Agency’s representation cases frequently involve numerous operating stations across the nation. [An application for a representation investigation may be obtained from the Agency’s website at www.nmb.gov.]

If a showing-of-interest requirement is met, the NMB continues the investigation, usually with a secret Telephone/Internet election. Only employees found to be eligible to vote by the NMB are permitted to participate in elections. The NMB is responsible for determining RLA jurisdiction, carrier status in mergers, and for ensuring that the requirements for a fair election process have been maintained without “interference, influence or coercion”. If the employees vote to be represented, the NMB issues a certification of that result which commences the carrier’s statutory duty to bargain with the certified representative.

In many instances, labor and management raise substantial issues relating to the composition of the electorate, jurisdictional challenges, allegations of election interference, and other complex matters which require careful investigations and ruling by the NMB.

The following chart reflects the actual case numbers for FY 2017, FY 2018, and the five-year average, FY 2014-2018 follows:

	FY 2018 ACTUAL	FY 2017 ACTUAL	FY 2014 – FY 2018 FIVE-YEAR AVERAGE
Cases Pending at Start	7	5	4
Cases Docketed	20	30	31
Cases Closed	24	28	31
Cases Pending at End	3	7	4

Highlights during Fiscal Year 2018

Representation disputes involving large numbers of employees generally are more publicly visible than cases involving a small number of employees. However, all cases require and receive neutral and professional investigations by the Agency. The NMB ensures that the employees’ choices regarding representation are made without interference, influence or coercion. The case summary that follows is an example of the varied representation matters which were investigated and resolved by the NMB in FY 2018.

JetBlue Airways

On December 6, 2017, the Transport Workers Union of America, AFL-CIO (TWU) filed an application seeking to represent the craft or class of Flight Attendants at JetBlue Airways. At the time the application was filed, these employees were unrepresented. After determining that the TWU had supported the application with a showing of interest from at least 50 percent of the 4,701 employees in the craft or class, the Board authorized an election. On April 18, 2018, the NMB certified TWU as the representative of the Flight Attendant craft or class at JetBlue. JetBlue Airways, Inc., 45 NMB 85 (2018).

ABM-Onsite Services

In this jurisdiction case referred from the National Labor Relations Board (NLRB), the NMB stated its opinion that airline service provider ABM-Onsite Services (ABM) was subject to RLA jurisdiction. In reaching this conclusion, the NMB reaffirmed its traditional two-part test for determining whether an entity is a derivate carrier subject to the RLA and its reliance on multiple factors to establish the required control by an air or rail carrier.

When an entity is not a rail or air carrier engaged in the transportation of freight or passengers in interstate commerce, the NMB has traditionally applied a two-part test to determine whether the employer and its employees are subject to the RLA. First, the NMB determines whether the nature of the work is that traditionally performed by employees of rail or air carriers. Second, the NMB determines whether the employer is directly or indirectly owned or controlled by, or under common control with, a carrier or carriers. Both parts of the test must be satisfied for the NMB to assert jurisdiction. The NMB applied a six-factor test to determine whether a company was controlled by a carrier. Air Serv Corp., 33 NMB 272 (2006). Beginning in 2013, however, the NMB had moved away from the six-factor test for control to an analysis requiring a substantial degree of control by a carrier over personnel matters before the NMB would find RLA jurisdiction. Huntleigh USA Corp., 40 NMB 130 (2013); Bags, Inc., 40 NMB 165 (2013).

ABM provides services to airlines but does not fly aircraft and is not directly or indirectly owned by an air carrier. Since ABM employees provide baggage handling services that is work traditionally performed by airline employees, the jurisdictional issue turns on the degree of direct or indirect control exercised by the airlines. The NMB noted that changing corporate relationships and the increasing use of contractors to perform work integral to rail and air transportation cannot be used to evade the procedures of the RLA that minimize interruptions to interstate commerce. Therefore, the Board found that the rail or air carrier must effectively exercise a significant degree of influence over the company's daily operations and its employees' performance of services in order to establish RLA jurisdiction. Further, no one factor is elevated above all the others in the Board's analysis of control. The Board determined that the factors to be applied include extent of the carriers' control over the manner in which the company conducts its business; access to the company's operations and records; role in personnel decisions; degree of supervision of the company's employees; whether the employees are held out to the public as carrier employees; and control over employee training.

Applying those factors to the record in this case, the Board majority found there was significant carrier influence over ABM's operations, including meeting performance measures and following operational procedures, significant influence over employee scheduling, control over labor costs and staffing levels, hiring, firing, promotion, and discipline.

Member Puchala dissented. Member Puchala disagreed with the Board majority's decision to return to the six factor analysis for determining carrier control. In her view, many of those factors have lost their significance as subcontracting has increased and the airline industry's business model has changed. Member Puchala stated that demonstrable evidence of carrier control over personnel decisions including the hiring, firing, and discipline of subcontractor employees and a high degree of supervision over how subcontractor employees perform their duties are required factors to establish RLA jurisdiction. In her view, the record did not establish the required degree of carrier control over ABM. ABM-Onsite Services, 45 NMB 27 (2018).

**REPRESENTATION
OVERVIEW
(CONTINUED)****Lufthansa Technik Puerto Rico**

In FY 2017, the NMB authorized a telephone and internet election for the Mechanics and Related Employees employed by Lufthansa Technik and sought to be represented by the International Association of Machinists and Aerospace Workers (IAM). The election was scheduled to start on September 6, 2017 and the tally was scheduled to take place on September 27, 2017.

As a result of the impact of Hurricane Irma and the forecasted landfall of Hurricane Maria, the Board extended the original voting period by two weeks. [Lufthansa Technik Puerto Rico, 44 NMB 200 \(2017\)](#). On October 6, 2017, the Board issued its decision canceling the election. [Lufthansa Technik Puerto Rico, 44 NMB 204 \(2017\)](#). The NMB took administrative notice of the devastating effect of Hurricane Maria on the people and infrastructure of Puerto Rico. The NMB determined it was inappropriate to prolong the election period in circumstances where there was not reliable access to potable water and basic services let alone, internet, telephone service and mail. The NMB denied the IAM's motion for reconsideration of its decision to cancel the election. [Lufthansa Technik Puerto Rico, 44 NMB 208 \(2017\)](#).

The Board continued to monitor the situation in Puerto Rico. In April 2018, the NMB determined, pursuant to its duty under Section 2, Ninth of the RLA, that the appropriate method to reliably measure employee choice in this representation dispute was a manual ballot election at Lufthansa Technik's facility in Aguadilla, Puerto Rico. The election was conducted on May 10, 2018 and a majority of the employees cast votes for no representation. [Lufthansa Technik Puerto Rico, 45 NMB 91 \(2018\)](#).

United Airlines

On January 24, 2018, UNITE HERE filed an application seeking to represent approximately 2,800 employees of United Airlines in the craft or class of Flight Kitchen, Commissary, Catering & Related Employees. United contended that UNITE HERE's showing of interest was tainted by fraud, threats, and coercion on the part of UNITE HERE and its supporters in obtaining authorization cards, and the fact that many employees for whom English is not their primary language did not understand the authorization cards that they signed. United further alleged that the appropriate craft or class was Flight Kitchen employees, and argued that many of the employees were already represented by organizations in other crafts or classes.

The NMB's investigators conducted an on-site investigation into the question of taint at each of the six flight kitchens. The Board investigators interviewed management and union witnesses as well as randomly selected employees. Based on the record developed during the investigation, the Board found that there was negligible evidence of misconduct and misunderstanding, and that the showing of interest was not tainted. The Board further found that the Flight Kitchen, Commissary, Catering & Related Employees is the appropriate craft or class because those employees share a work-related community of interest and are functionally integrated.

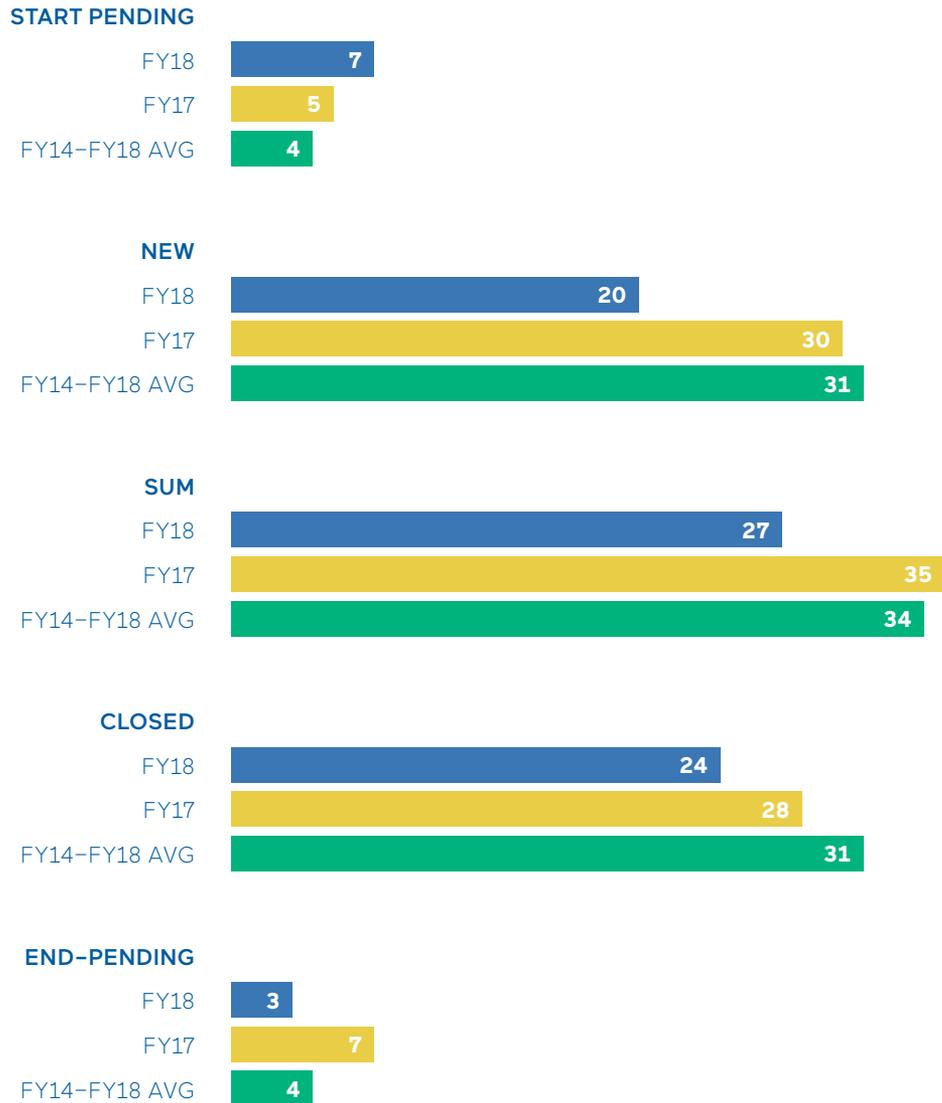
Based on its findings and the authorization cards submitted by UNITE HERE, the Board found a representation dispute existed regarding the representation of the Flight Kitchen, Commissary, Catering & Related Employees, and ordered an election to be held. The Board also denied United's request for an on-site ballot box election, finding no extraordinary circumstances warranting a deviation from its normal telephone and internet election. [United Airlines, Inc., 45 NMB 114 \(2018\)](#).

REPRESENTATION OVERVIEW (CONTINUED)

The following chart reflects the actual case numbers for FY 2018 and the estimated case numbers for FY 2019 and FY 2020:

	FY 2018 ACTUAL	FY 2019 ESTIMATED	FY 2020 ESTIMATED
Cases Pending at Start	7	3	4
Cases Docketed	20	30	30
Cases Closed	24	33	33
Cases Pending at End	3	4	4

REPRESENTATION CASES



**PRESIDENTIAL
EMERGENCY
BOARDS (PEB)
OVERVIEW**

Section 159A (Section 9A) of the Railway Labor Act provides special, multi-step emergency procedures for unresolved collective bargaining disputes affecting employees on publicly funded and operated commuter railroads. Section 160 (Section 10) of the RLA covers all other railroads and airlines.

When the National Mediation Board determines that a collective bargaining dispute cannot be resolved in mediation, the Agency proffers Interest Arbitration to the parties. Either labor or management may refuse the proffer and, after a 30-day cooling-off period, engage in a strike, implement new contract terms, or engage in other types of economic self-help, unless a Presidential Emergency Board (PEB) is established.

If the NMB determines, pursuant to Section 160 of the RLA, that a dispute threatens substantially to interrupt interstate commerce to a degree that will deprive any section of the country of essential transportation service, the NMB notifies the President. The President may, at his discretion, establish a PEB to investigate and report upon such dispute. Status-quo conditions must be maintained throughout the period that the PEB is impaneled and for 30 days following the PEB report to the President. If no agreement is reached, and there is no intervention by Congress, the parties are free to engage in self-help 30 days after the PEB reports to the President.

Apart from the emergency board procedures provided by Section 160 of the RLA, Section 9A provides special, multi-step emergency procedures for unresolved disputes affecting employees on publicly funded and operated commuter railroads. If the Mediation procedures are exhausted, the parties to the dispute or the Governor of any state where the railroad operates may request that the President establish a PEB. The President is required to establish such a board if requested. If no settlement is reached within 60 days following the creation of the PEB, the NMB is required to conduct a public hearing on the dispute. If there is no settlement within 120 days after the creation of the PEB, any party or the Governor of any affected state, may request a second, final-offer PEB. No Self-Help is permitted pending the exhaustion of these emergency procedures.

A chart reflecting the actual case numbers for FY 2017, FY 2018 and the five-year average, FY 2014-2018 follows:

	FY 2018 ACTUAL	FY 2017 ACTUAL	FY 2014 – FY 2018 FIVE-YEAR AVERAGE
Emergency Board Sec. 160	0	0	0.4
Emergency Board Sec. 159A	0	0	0.75

Highlights of Fiscal Year 2018

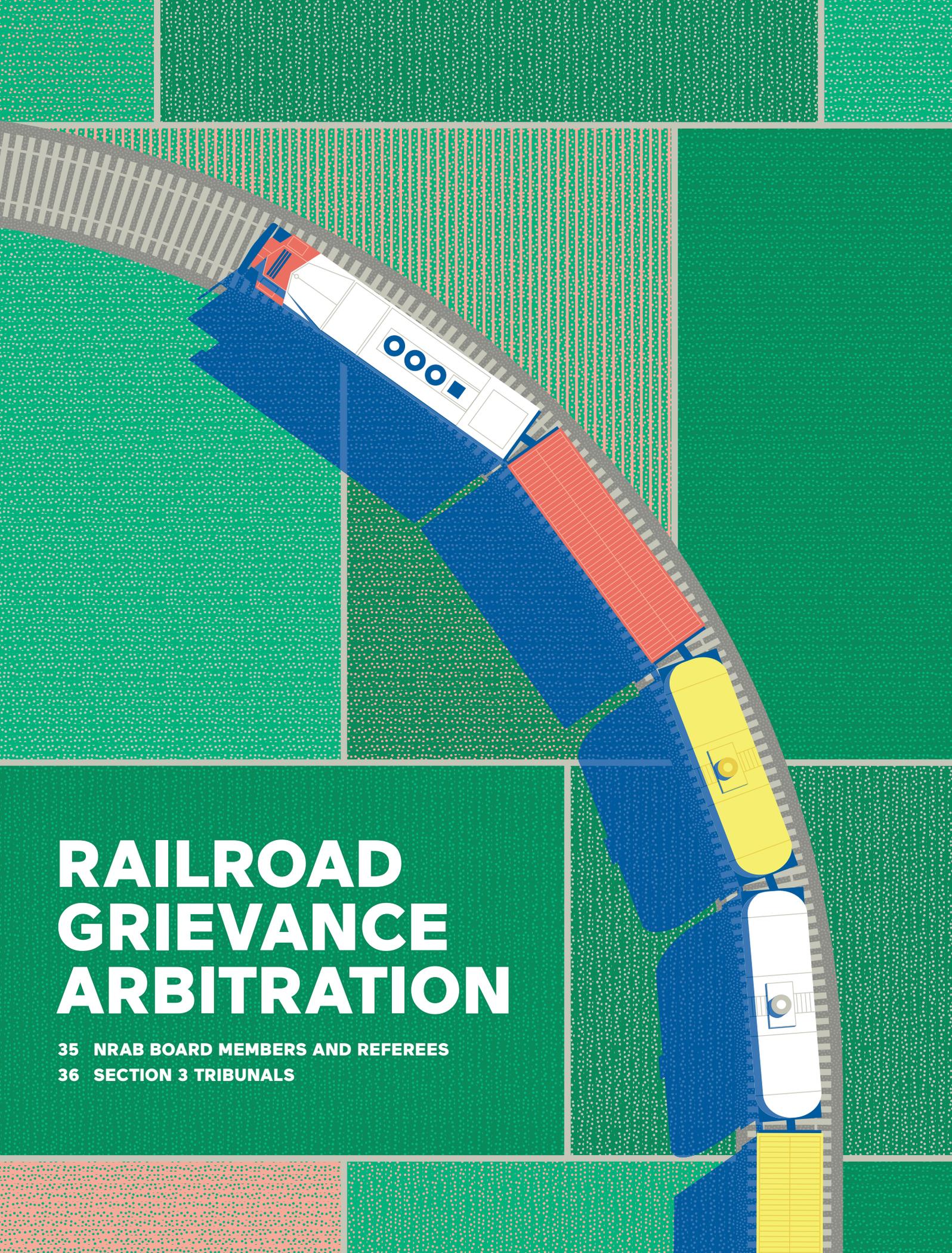
There were no PEBs established in FY 2018.

Forecast for FY 2019, FY 2020, and Beyond

The NMB cannot predict precisely the number of PEBs that may be created during a given fiscal year. Estimates are based, among other factors, upon prior experience and knowledge of the contentiousness of the parties in the bargaining process and mediation, the number of cases, and the degree of impact of any dispute. For example, activity leading up to a release and the creation of a PEB for the LIRR and multiple unions occurred in FY 2013, but the PEB was established in FY 2014.

The following chart reflects the actual case numbers for FY 2018 and estimated case numbers for FY 2019 and FY 2020:

	FY 2018 ACTUAL	FY 2019 ESTIMATED	FY 2020 ESTIMATED
Emergency Board Sec. 160	0	1	1
Emergency Board Sec. 159A	0	2	1



RAILROAD GRIEVANCE ARBITRATION

35 NRAB BOARD MEMBERS AND REFEREES

36 SECTION 3 TRIBUNALS

NATIONAL RAILROAD ADJUSTMENT BOARD

MEMBERS AND REFEREES

NRAB

Marcus J. Ruef
BLET, Board Chairman

Matthew R. Holt
NRLC, Board Vice Chairman

FIRST DIVISION MEMBERS

Douglas W. Davidson
BLET, Chairman

Matthew R. Holt
NRLC, Vice Chairman

Jeremy Ferguson
SMART-TD

Niels Hansen
G&W

Nathan Moayyad
BNSF

Jennifer Powell
UP

Marcus J. Ruef
BLET

David B. Wier
SMART-TD

SECOND DIVISION MEMBERS

William T. Bohné
IBEW, Chairman

H. Glen Williams
NRLC, Vice Chairman

Charles J. Fraley
SMART

Danielle Gauthier
METRA

Donald E. Grissom
BRC

Craig Ingrisano
UP

John Lacey
IAM

Carl Matejka
PTRA

Jackie Newstadt
G&W

John Thacker
NCFO

THIRD DIVISION MEMBERS

Zachary C. Voegel
BMWED, Chairman

Jeanie L. Arnold
NRLC, Vice Chairman

Donald Boyd
HERE

John Bragg
BRS

Rory R. Broyles
ATDA

Anthony Lomanto
PAR

Anthony Mosso
CP

Steven Napierkowski
CN

Katie Novak
UP

Emily Pantoja
TCU

FOURTH DIVISION MEMBERS

Allison Dillon
ARASA, Chairman

Jeffrey F. Rodgers
NRLC, Vice Chairman

Ryan Hidalgo
BMWED

Derek Hinds
UP

Randy Perry
G&W

Doyle K. Turner
SMART

NRAB Referees

FIRST DIVISION

Meeta Bass
Edwin H. Benn
Ezio Borchini
Brian Clauss
Jules I. Crystal
James Darby
Richard Fincher
Richard M. Gaba
Earlene Baggette-Hayes
Michele M. Hoyman
Richard Humphreys
Louis Imundo
Jeffrey Jacobs
Michael S. Jordan
Stanley Kravit
Joseph Licata
Gail Moran
Cary Morgen
James Nash
Debra Neveu
Elizabeth Neumeier
Robert Peterson
Jeanne M. Vonhof
Elizabeth C. Wesman

SECOND DIVISION

Joseph Fagnani

THIRD DIVISION

Edwin Benn
Paul S. Betts
Ezio E. Borchini
Mark Burdette
Amedea Greco
I.B. Helburn
Andria Knapp
Peter Meyers
Katherine VanDagens
Jeanne M. Vonhof
Gerald Wallin
Elizabeth C. Wesman
Michael G. Whelan
Jacalyn Zimmerman

FOURTH DIVISION

Michael Capone

**SECTION 3
TRIBUNALS
ESTABLISHED
FY 2018**

TYPE	NO. OF BOARDS
Public Law Boards	44
Special Boards of Adjustment	3
Arbitration Boards	4
TOTAL	51

1. Public Law Boards, Special Boards of Adjustment and Arbitration Boards

1A. CARRIERS

Arkansas & Missouri Railroad	National Railroad Passenger Corporation (AMTRAK)
Belt Railway Company of Chicago	New Jersey Transit Authority
Burlington Northern Santa Fe Railway Company	New Orleans Public Belt Railroad
Canadian National Railway Company	Norfolk Southern Corporation
Canadian Pacific Railway Company	Northeast Illinois Regional Commuter Railroad
Chicago, Fort Wayne Railroad	Northern Indiana Commuter Transportation District
Consolidated Rail Corporation	Paducah & Louisville Road
CSX Transportation, Inc.	Pan Am Railways
Delaware and Hudson	Port Authority Trans-Hudson Corporation
Delray Connecting Railroad	Soo Line Railroad Company
Fruit Growers Express	Southeastern Pennsylvania Transportation Authority
Gary Railway Company	Springfield Terminal Railway
Grand Trunk Western Railroad	Terminal Railroad Association of St. Louis
Kansas City Southern Railroad	Texas Mexican Railway
Keolis Commuter Services	Transit America Services, Inc.
Illinois Central Railroad	Union Pacific Railroad Company
Indiana Harbor Belt Railroad	Union Railroad
Long Island Rail Road	Wisconsin Central Ltd
Massachusetts Bay Commuter Railroad	
Metro-North Commuter Railroad	
Montana Rail Link	

1B. UNIONS

American Train Dispatchers Association	National Conference of Firemen and Oilers, SEIU
Amtrak Service Workers Council	Railway Independent Transit Union
Brotherhood of Locomotive Engineers & Trainmen-IBT	SMART-Sheet Metal, Air, Rail & Transportation
Brotherhood of Maintenance of Way Employes-IBT	SMART-Transportation Division
Brotherhood of Railroad Signalmen	Transportation Communications Union/IAM
International Association of Machinists & Aerospace Workers	Transportation Communications Union/ARASA
International Brotherhood of Teamsters	Transportation Communications Union/Carmen
International Brotherhood of Blacksmiths & Boilermakers	Transport Workers Union of America
International Brotherhood of Electrical Workers	
International Federation of Professional & Technical Engineers	

**SECTION 3
TRIBUNALS
ESTABLISHED
FY 2018
(CONTINUED)**

1C. ARBITRATORS (PUBLIC LAW BOARD, SPECIAL BOARD OF ADJUSTMENT OR ARBITRATION BOARD)

Meeta Bass	Don Hampton	Richard H. Radek
Earlene Baggett-Hayes	Richard Hanft	David Ray
Edwin Benn	I. B. Helburn	Thomas N. Rinaldo
Wendell Bell	Jeffrey Jacobs	Sean Rogers
Paul Betts	Ann S. Kenis	Lynette A. Ross
Steven Bierig	Joyce Klein	Barry E. Simon
John R. Binau	Andria Knapp	Andrew Strongin
Patricia Bittel	Lisa S. Kohn	Erica Tener
Ezio Borchini	Sinclair Kossoff	Berry Tucker
Mark Burdette	George Larney	David Twomey
Dennis Campagna	Sherwood Malamud	Kathryn VanDagens
Michael Capone	Andree McKissick	M. David Vaughn
Brian Clauss	Peter R. Meyers	Gerald E. Wallin
James E. Conway	William Miller	Lamont Walton
Hyman Cohen	Sidney Moreland	Randy Weiss
James Darby	Cary Morgen	Elizabeth C. Wesman
Francis Domzalski	James Nash	Michael Whelan
Lewis L. Ellsworth	Debra Neveu	Burton White
Joseph Fagnani	Margo Newman	Bradley Winter
Steven Friedman	Daniel Nielsen	Marc Winters
Gayle Gavin	Kenneth O'Brien	Charles Wise
Charlotte Gold	Robert M. O'Brien	Jeanne Wood
Paul Gordon	Joan Parker	Jacalyn Zimmerman
Robert Grey	Robert Perkovich	Marty E. Zusman
Patrick Halter	Robert E. Peterson	

2. Labor Protective Provisions

N/A

3. Union Shops

N/A

4. System Boards of Adjustment

N/A



SUPPORTING REPORTS & TABLES

- 39 CASE TABLES
- 44 CASE RECORD

CASE TABLES

Table 1 – Number of Cases Received and Closed

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	AVG 2014–18
MEDIATION						
Start Pending	72	60	81	90	100	81
New	42	36	27	36	44	37
Sum	114	96	108	126	144	118
Closed	44	26	48	45	55	44
End-Pending	68*	72	60	81	90	74
ADR						
Start Pending	48	39	35	33	30	37
New	38	67	45	75	70	59
Sum	86	106	80	108	100	96
Closed	34	59	41	73	58	53
End-Pending	50*	48	39	35	42	43
REPRESENTATION						
Start Pending	7	5	3	1	2	4
New	20	30	31	39	34	31
Sum	27	35	34	40	36	34
Closed	24	28	29	37	35	31
End-Pending	3	7	5	3	1	4
ARBITRATION						
Start Pending	8,550**	7,455	6,240	5,133	3,577	6,191.0
New	4,280	4,148	4,754	3,816	4,313	4,262.2
Sum	12,830	11,603	10,994	8,949	7,890	10,453.2
Closed	6,422	3,057	3,562	2,702	2,946	3,737.8
End-Pending	6,408	8,546	7,432	6,247	4,944	6,715.4

* System adjustment.

** A review of the automated case management system resulted in an additional 4 cases pending at the beginning of fiscal year 2018.

**CASE TABLES
(CONTINUED)**

Table 2 – Representation Case Dispositions

	NUMBER OF CASES	NUMBER OF CRAFTS OR CLASSES	NUMBER OF EMPLOYEES INVOLVED	NUMBER OF EMPLOYEES PARTICIPATING
AIRLINES				
Certifications	6	6	7,732	5,232
Dismissals	5	1	1,028	678
TOTALS	11	7	8,760	5,910
RAILROADS				
Certifications	5	1	64	60
Dismissals	8	4	174	164
TOTALS	13	5	238	224
TOTALS AIRLINES AND RAILROADS	24	12	8,998	6,134

Table 3 – Airline and Railroad Representation Cases Closed

AIRLINES	REPRESENTATION CASES
Cockpit Crew Members	0
Engineers and Related Employees	0
Fleet and Passenger Service Employees	0
Fleet Service Employees	0
Flight Attendants	2
Flight Crew Training Instructors	0
Flight Deck Crew Members	1
Flight Dispatchers	1
Flight Engineers	0
Flight Simulator Engineers	0
Ground School Instructors	0
Maintenance Training Specialists	0
Mechanics and Related Employees	2
Office Clerical Employees	0
Passenger Service Employees	1
Pilots	1
Stock and Stores Employees	0
Combined Groups, Airlines	2
Miscellaneous, Airline	1
AIRLINE TOTAL	11

RAILROADS	REPRESENTATION CASES
Clerical Office, Station and Storehouse Employees	0
Carmen	0
Electrical Workers	0
Engineers	0
Locomotive Engineers	0
Locomotive Firemen and Hostlers	1
Locomotive Maintenance Employees	1
Machinists	0
Maintenance of Way Employees	2
Operating/Non-Operating Employees	1
Sheet Metal Workers	0
Signalmen	0
Train Dispatchers	1
Train and Engine Service Employees	2
Train, Engine and Yard Service Employees	0
Transportation Operations Employees	0
Yardmasters	1
Combined Groups, Railroad	1
Miscellaneous, Railroad	3
RAILROAD TOTAL	13

GRAND TOTAL, AIRLINES AND RAILROADS	24
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CASE TABLES
(CONTINUED)

**Table 4 – Airline and Railroad Representation Determinations
by Craft or Class**

AIRLINES	NUMBER OF CASES	NUMBER OF CRAFT OR CLASS DETERMINATIONS	NUMBER OF EMPLOYEES	PERCENT ¹ OF EMPLOYEES INVOLVED
Cockpit Crew Members	0	0	0	0
Engineers and Related Employees	0	0	0	0
Fleet and Passenger Service Employees	0	0	0	0
Fleet Service Employees	0	0	0	0
Flight Attendants	2	2	6,352	71
Flight Crew Training Instructors	0	0	0	0
Flight Deck Crew Members	1	1	445	5
Flight Dispatchers	1	1	53	-
Flight Engineers	0	0	0	0
Flight Simulator Engineers	0	0	0	0
Ground School Instructors	0	0	0	0
Maintenance Training Specialists	0	0	0	0
Mechanics and Related Employees	2	1	592	7
Office Clerical Employees	0	0	0	0
Passenger Service Employees	1	1	260	3
Pilots	1	1	577	6
Stock and Stores Employees	0	0	0	0
Combined Groups, Airlines	2	1	439	5
Miscellaneous, Airlines	1	0	42	-
AIRLINE TOTAL	11	8	8,760	97

1 Percent listing for each group represents the percentage of the 8,998 employees involved in all railroad and airline cases during fiscal year 2018.

(-) Less than one percent.

**CASE TABLES
(CONTINUED)**

RAILROADS	NUMBER OF CASES	NUMBER OF CRAFT OR CLASS DETERMINATIONS	NUMBER OF EMPLOYEES	PERCENT¹ OF EMPLOYEES INVOLVED
Clerical Office, Station and Storehouse Employees	0	0	0	0
Carmen	0	0	0	0
Electrical Workers	0	0	0	0
Engineers	0	0	0	0
Locomotive Engineers	0	0	0	0
Locomotive Firemen and Hostlers	1	0	5	-
Locomotive Maintenance Employees	1	0	16	-
Machinists	0	0	0	0
Maintenance of Way Employees	2	0	67	-
Operating/Non-Operating Employees	1	1	6	0
Sheet Metal Workers	0	0	0	0
Signalmen	0	0	0	0
Train Dispatchers	1	1	15	-
Train and Engine Service Employees	2	1	37	-
Train, Engine and Yard Service Employees	0	0	0	0
Transportation Operations Employees	0	0	0	0
Yardmasters	1	1	6	-
Combined Groups, Railroad	2	1	80	0
Miscellaneous, Railroad	2	0	6	-
RAILROAD TOTAL	13	5	238	3
GRAND TOTAL, AIRLINES AND RAILROADS	24	13	8,998	100

1 Percent listing for each group represents the percentage of the 8,998 employees involved in all railroad and airline cases during fiscal year 2018.

(-) Less than one percent.

CASE RECORD Representation Cases Docketed and Closed

AIRLINE REPRESENTATION CASES DOCKETED

CASE	CARRIER	UNION	CRAFT / CLASS
R-7507	Allegiant Air	IBT	Mechanics & Related
R-7518	American Airlines, Inc.	PAFCA	Flight Dispatchers & Flight Planning Specialists
R-7517	Flight Options,LLC/Flexjet, LLC	Individual	Pilots
R-7511	Hawaiian Airlines	IAM	Production Planners/ Maintenance Planners
R-7505	JetBlue Airways	TWU	Flight Attendants
R-7509	Kalitta Air, LLC	IBT	Crew Members
R-7522	Kalitta Charters, II	IBT	Flight Deck Crewmembers
R-7506	Spirit Airlines, Inc.	PAFCA	Flight Dispatchers
R-7519	Spirit Airlines, Inc.	TWU	Passenger Service Agents
R-7524	Travel Management Company, Ltd.	IBT	Pilots
R-7513	United Airlines, Inc.	UNITE HERE	Flight Kitchen, Commissary, Catering & Related Employees

RAILROAD REPRESENTATION CASES DOCKETED

CASE	CARRIER	UNION	CRAFT / CLASS
R-7520	BNSF Railway	TCU/IAM	Senior Special Agent & Special Agent
R-7521	Eastern Illinois Railroad Company	SMART	Operating/Non-Operating Employees
R-7512	Florida Dispatchco, LLC	IBEW	Train Dispatchers
R-7510	Long Island Railroad	BRS	Fire Marshals
R-7523	Northshore Mining Company	SMART	Railroad Maintenance Employees
R-7508	Rapid City, Pierre & Eastern Railroad	SMART	Maintenance of Way Employees
R-7515	Tradepoint Rail, Inc.	ILA	Operating Employees
R-7516	Tradepoint Rail, Inc.	ILA	Non-Operating Employees
R-7514	TransitAmerica Services, Inc.	SMART	Train & Engine Service Employees

AIRLINE REPRESENTATION CASES CLOSED

CASE	CARRIER	UNION	CRAFT / CLASS	DISPOSITION
R-7507	Allegiant Air	IBT	Mechanics & Related	Certification
R-7504	American Airlines, Inc.	OPEIU	Aircraft Routers	Dismissal
R-7518	American Airlines, Inc.	PAFCA	Flight Dispatchers & Flight Planning Specialists	Certification
R-7501	ExpressJet Airlines	IAM	Flight Attendants	Dismissal
R-7517	Flight Options, LLC / Flexjet, LLC	Individual	Pilots	Dismissal
R-7511	Hawaiian Airlines	IAM	Production Planners/ Maintenance Planners	Dismissal
R-7505	JetBlue Airways	TWU	Flight Attendants	Certification
R-7509	Kalitta Air, LLC	IBT	Crew Members	Certification
R-7497	Lufthansa Technik of Puerto Rico	IAM	Mechanic & Related Employees	Dismissal
R-7506	Spirit Airlines, Inc.	PAFCA	Flight Dispatchers	Certification
R-7519	Spirit Airlines, Inc.	TWU	Passenger Service Agents	Certification

RAILROAD REPRESENTATION CASES CLOSED

CASE	CARRIER	UNION	CRAFT / CLASS	DISPOSITION
R-7520	BNSF Railway	TCU/IAM	Senior Special Agent & Special Agent	Dismissal
R-7521	Eastern Illinois Railroad Company	SMART	Operating / Non-Operating Employees	Certification
R-7512	Florida Dispatchco, LLC	IBEW	Train Dispatchers	Certification
R-7482	Golden Isles Terminal Railroad	SMART	Train & Engine Service Employees	Certification
R-7483	Golden Isles Terminal Railroad	SMART	Yardmasters	Certification
R-7510	Long Island Railroad	BRS	Fire Marshals	WDI-Dismissal
R-7503	Newburgh & South Shore Railroad	SMART	Conductor & Engineer	Dismissal
R-7523	Northshore Mining Company	SMART	Railroad Maintenance Employees	Dismissal
R-7508	Rapid City, Pierre & Eastern Railroad	SMART	Maintenance of Way Employees	Dismissal
R-7502	Toledo, Peoria & Western Railway	BMWED	Maintenance of Way Employees	Dismissal
R-7515	Tradepoint Rail, Inc.	ILA	Operating Employees	Dismissal
R-7516	Tradepoint Rail, Inc.	ILA	Non-Operating Employees	Dismissal
R-7514	TransitAmerica Services, Inc.	SMART	Train & Engine Service Employees	Certification

**CASE RECORD
(CONTINUED)**

Mediation Cases Docketed and Closed

AIRLINE CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
Air Wisconsin Airlines	IAM	Clerical, Office, Fleet & Passenger Service
Air Wisconsin Airlines	IAM	Mechanics & Related
American Airlines	TWU-IAM	Fleet Service
American Airlines	TWU-IAM	Mechanics & Related
American Airlines	TWU-IAM	Stock & Stores
El Al Israel Airlines	IAM	Mechanics & Related, Passenger Service
Flight Options/Flexjet	IBT	Pilots
Frontier Airlines	IBT	Aircraft Appearance Agents
Gate Gourmet	IBT/HERE	Catering & Commissary
Hawaiian Airlines	AFA	Flight Attendants
Piedmont Airlines	CWA	Fleet & Passenger Service
PSA Airlines	AFA	Flight Attendants
PSA Airlines	IAM	Mechanics & Related
SM Cargo	IAM	Fleet Service
Southwest Airlines	IBT	Material Specialists
Sun Country Airlines	TWU	Aircraft Dispatchers

RAILROAD CASES DOCKETED

CARRIER	UNION	CRAFT / CLASS
Canadian Pacific Railway (D&H)	BRS	Signalmen
Canadian Pacific Railway (DM&E)	BMWED	Maintenance of Way
Chicago, Ft. Wayne & Eastern Railroad	BLET	Engineers & Conductors
Columbia & Cowlitz Railway	SMART	Operating & Non-Operating Employees
Gary Railway	BMWED	Maintenance of Way
Gary Railway	SMART	Trainmen & Yardmasters
Iowa Interstate Railroad	SMART	Engineers & Trainmen
Keolis Commuter Services	BRS	Signalmen, Signal Maintainers, & Signal Engineers
Keolis Commuter Services	IAM	Machinists
Keolis Commuter Services	IBB	Boilermakers
Keolis Commuter Services	NCFO	Laborers
Keolis Commuter Services	SMART	Sheet Metal Workers
Keolis Commuter Services	TCU	Carmen
Keolis Commuter Services	TCU	Clerical
Keolis Commuter Services	TCU	Supervisors
Keolis Commuter Services	TWU	Carmen & Coach Cleaners
Pan Am Railways	ATDA	Train Dispatchers
PATH	SMART	Conductors
SEPTA	BLET	Locomotive Engineers
SEPTA	BRS	Signalmen
SEPTA	IAM	Machinists
SEPTA	SMART	Conductors & Assistant Conductors
SEPTA	SMART	Sheet Metal Workers
South Buffalo Railway	TCU	Carmen
Terminal Railroad Association of St. Louis	SMART	Train & Engine Service
Terminal Railway Alabama State Docks	BMWED	Maintenance of Way

**CASE RECORD
(CONTINUED)**

AIRLINE CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Air Methods	OPEIU	Flight Deck Crew Members
Air Transport International	ALPA	Pilots
Air Wisconsin Airlines	IAM	Mechanics & Related
Allegiant Air	TWU	Flight Attendants
Aloha Air Cargo	IBT	Pilots
Aviation Safeguards	SEIU	Fleet & Passenger Service
ExpressJet Airlines	IBT	Mechanics & Related
Flight Options/Flexjet	IBT	Pilots
JetBlue Airways	ALPA	Pilots
Mesa Airlines	AFA	Flight Attendants
NetJets	IBT	Mechanics & Related, Stock Clerks
Northern Air Cargo	IBT	Pilots
Omni Air International	AFA	Flight Attendants
Omni Air International	IBT	Pilots
PSA Airlines	IAM	Mechanics & Related
Silver Airways	AFA	Flight Attendants
Spirit Airlines	ALPA	Pilots
Travel Management Company	IBT	Pilots
XTRA Airways	XAPA	Pilots

RAILROAD CASES CLOSED

CARRIER	UNION	CRAFT / CLASS
Amtrak	BMWED (PRLBC)	Maintenance of Way
Amtrak	BRS (PRLBC)	Signalmen
Central Maine & Quebec Railway	SMART	Carmen, Mechanics, Electricians, Car & Locomotive Shop Foreman
Gary Railway	BMWED	Maintenance of Way
Indiana Rail Road	BMWED	Maintenance of Way
Metra	BRS	Signalmen
NCCC	ATDA	Train Dispatchers
NCCC	BLET	Locomotive Engineers, Conductors, Trainmen
NCCC	BMWED	Maintenance of Way
NCCC	BRS	Signalmen
NCCC	IAM	Machinists
NCCC	IBB	Boilermakers, Blacksmiths, Forgers & Helpers
NCCC	IBEW	Electrical Workers, Communication Workers, Signal Maintainers
NCCC	NCFO	Laborers
NCCC	SMART	Brakemen, Conductors, Engineers, Yardmasters, Yardmen
NCCC	SMART	Sheet Metal Workers
NCCC	TCU	Carmen
NCCC	TCU	Clerks
NCCC	TWU	Carmen
New England Central Railroad	BLET	Train & Engine Service
New York, Susquehanna & Western Railway	BMWED	Locomotive Mechanics
Pan Am Railways	ATDA	Train Dispatchers
Pan Am Railways	BLET	Locomotive Engineers
Pan Am Railways	BMWED	Maintenance of Way
Tacoma Rail	IAM	Yard Clerks

ADR CASES DOCKETED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
F	Spirit Airlines	ALPA	Pilots
F	Sun Country Airlines	ALPA	Pilots
GM	Horizon Airlines	AFA	Flight Attendants
GM	Kansas & Oklahoma Railroad	IAM	Carmen, Mechanics
GM	Metra	SMART	Sheet Metal Workers
GM	Southwest Airlines	TWU	Flight Training Supervisors
GM	Sun Country Airlines	ALPA	Pilots
GM	Union Pacific Railroad	BMWED	Maintenance of Way
GM	Wheeling & Lake Erie Railroad	BLET	Engineers & Conductors
OP	A4A Labor and Employment Council	-	-
OP	ABA RLA Midwinter Meeting	-	-
OP	ALI-CLE 2018 Airline and Railroad Labor and Employment Law	-	-
OP	Amtrak Labor Relations Staff Meeting	-	-
OP	Arbitration Forum	-	-
OP	ATDA General Chairman's Meeting	-	-
OP	Dunlop II Meeting	-	-
OP	NAA 2018 Annual Meeting	-	-
OP	NARR 2018 Annual Conference	-	-
OP	Norfolk Southern Brosnan Forest Conference	-	-
OP	Section 3 Meeting	-	-
OP	SMART 2018 Regional Meeting	-	-
OP	SMART-TD Eastern Regional Meeting	-	-
OP	SMART-TD Western Regional Meeting	-	-
T	Horizon Airlines	AFA	Flight Attendants
T	Metra	SMART	Sheet Metal Workers
T	Piedmont Airlines	CWA	Fleet & Passenger Service
T	Southwest Airlines	TWU	Flight Training Supervisors
T	Union Pacific Railroad	BMWED	Maintenance of Way
T	AAA 2018 National Labor Conference	-	-
T	ABA RLA Midwinter Meeting	-	-
T	ALI-CLE 2018 Airline and Railroad Labor and Employment Law	-	-
T	ALRA 2018 Conference	-	-
T	FMCS 2018 National Labor-Management Conference	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-

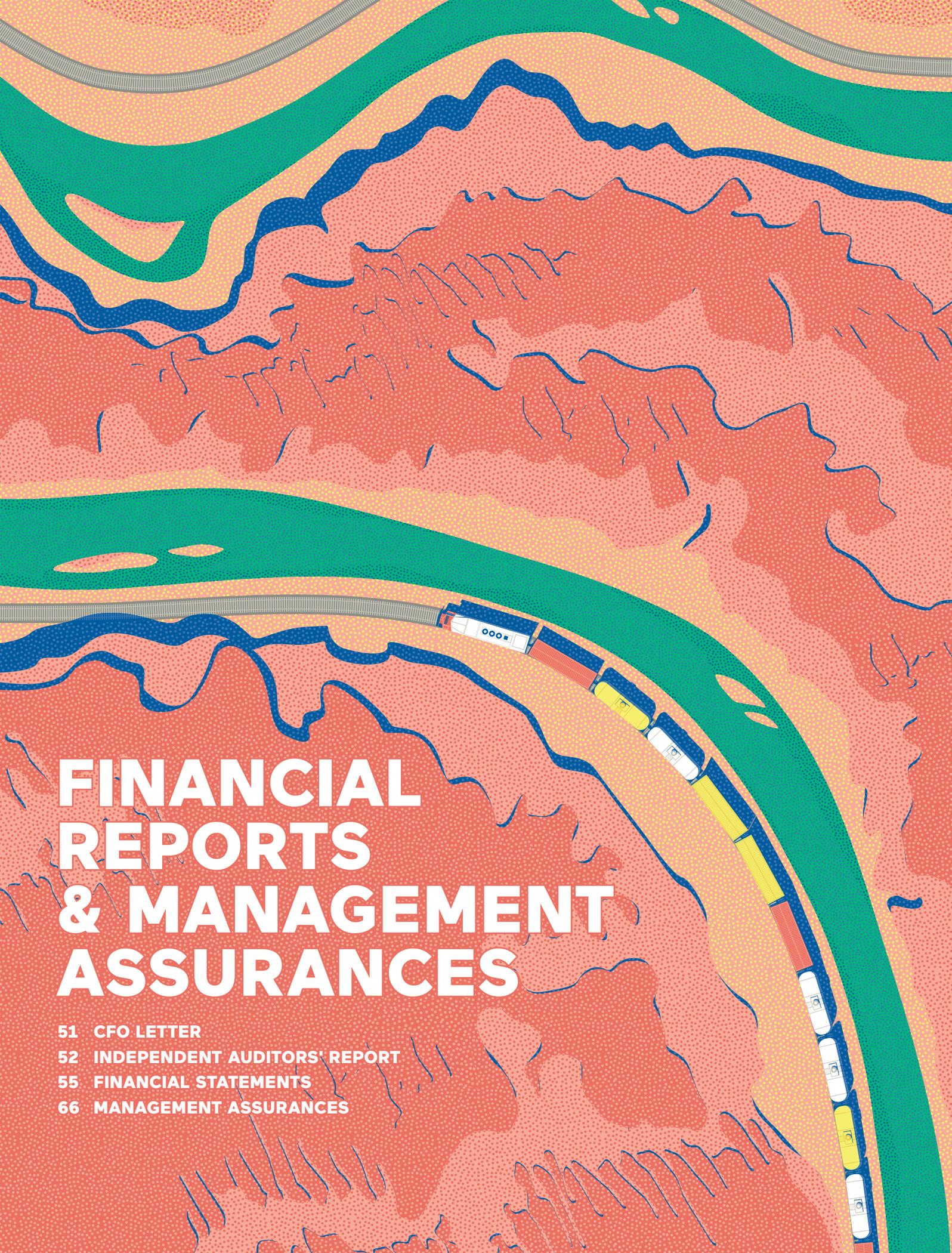
**CASE RECORD
(CONTINUED)**

ADR CASES CLOSED

CASE TYPE	CARRIER / EVENT	UNION	CRAFT / CLASS
F	American Airlines	TWU-IAM	Mechanics & Related
F	CSX	ATDA	Train Dispatchers
F	Hawaiian Airlines	AFA	Flight Attendants
F	Virgin America	ALPA	Pilots
GM	Amtrak	IBEW	Electricians
GM	Canadian Pacific Railway	SMART	Brakemen, Conductors, Switchmen
GM	Kansas & Oklahoma Railroad	IAM	Carmen, Mechanics
GM	Metro-North Railroad	ARASA	Foremen
GM	Wheeling & Lake Erie Railroad	BLET	Engineers & Conductors
OP	A4A Labor and Employment Council	-	-
OP	ABA RLA Midwinter Meeting	-	-
OP	Arbitration Forum	-	-
OP	ATDA General Chairman's Meeting	-	-
OP	Dunlop II Meeting	-	-
OP	NAA 2018 Annual Meeting	-	-
OP	NARR 2018 Annual Conference	-	-
OP	Norfolk Southern Brosnan Forest Conference	-	-
OP	Section 3 Meeting	-	-
OP	SMART 2018 Regional Meeting	-	-
OP	SMART-TD Eastern Regional Meeting	-	-
OP	SMART-TD Western Regional Meeting	-	-
OP	The College of Professional Studies, Villanova University	-	-
T	Horizon Airlines	AFA	Flight Attendants
T	Piedmont Airlines	CWA	Fleet & Passenger Service
T	Republic Airline	IBT	Flight Attendants
T	Union Pacific Railroad	BMWED	Maintenance of Way
T	AAA 2018 National Labor Conference	-	-
T	ABA RLA Midwinter Meeting	-	-
T	ALRA 2018 Conference	-	-
T	FMCS 2018 National Labor-Management Conference	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-
T	Mediator Meeting	-	-

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M
B**

SUPPORTING REPORTS & TABLES



FINANCIAL REPORTS & MANAGEMENT ASSURANCES

- 51 CFO LETTER
- 52 INDEPENDENT AUDITORS' REPORT
- 55 FINANCIAL STATEMENTS
- 66 MANAGEMENT ASSURANCES

November 1, 2018

On behalf of the National Mediation Board's (NMB), it is my pleasure to present the NMB's Fiscal Year (FY) 2018 Performance and Accountability Report's financial section. This report is an integrated presentation of our programmatic, financial, and operational achievements during the past year. The principal financial statements and notes that follow explain the NMB's financial position as of September 30, 2018, and 2017 also detail the use of Agency's financial resources to achieve performance results.

The independent audit of our financial statements has been completed, and I am pleased to report that the NMB received a fourth consecutive unmodified opinion, with no material weakness. The audit opinion reflects a financial operation that meets U.S. Department of the Treasury guidance, the Office of Management and Budget (OMB) guidance, federal financial regulations, and U.S. Generally Accepted Accounting Principles. Additionally, this is evidence of the organization's continued emphasis on reviewing and strengthening internal controls in accordance with the requirements from central regulatory bodies of the federal government such as the U.S. Treasury and OMB.

The NMB in coordination with the Bureau of Fiscal Service (BFS) successfully transitioned to using a new financial system application, Oracle Business Intelligence Enterprise Edition.

This section also includes the FY 2018 financial information and uses our performance results to show how we optimized our financial resources. The NMB is committed to exemplary financial management, and the enhancement of operational efficiency through a variety of cost-saving efforts.

We will continue to focus on identifying solutions to maintain our financial stability, ensure transparency and accountability, and maintain high levels of mission performance and employee satisfaction and morale. We are confident that the NMB's financial and performance data are complete, accurate, and reliable. We will also continue to seek ways to strengthen and improve the Agency's system for the administrative control of funds.

In FY 2018, there were improvements substantially exceeding the Small Business Administration's Government-wide goal to ensure that small businesses get their fair share of work with the federal government by awarding the following entities:

- Small Business Goal 23 percent – Actual awards 74.63 percent;
- Small Disadvantage Business Goal 5 percent – Actual awards 63.32 percent;
- Small-Disabled Veteran-Owned Small Business Goal 3 percent–Actual awards 5.3 percent;
- Women-Owned Business Goal 5 percent – Actual awards 8.12 percent; and
- Historically Underutilized Business Zones Goal 3 percent – Actual awards 0 percent

Additionally, in June 2018, BFS conducted an annual Government Purchase card audit review on purchase cardholders' transactions. BFS's results concluded that the purchases were well documented and necessary for the completion of NMB's mission.

The NMB is dedicated to the performance and accountability standards established by the President and Congress, and is keenly aware of the role of sound financial management practices in good government. The NMB's financial professionals will work together to improve financial management and accountability in support of our Agency's mission.

The NMB continues to strive to maintain an environment in which program and financial managers work to ensure the integrity of financial information, and use that information in decision-making and performance measurements.

Respectfully,



Samantha Jones
Acting Chief Financial Officer



Board Members
National Mediation Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the National Mediation Board, which comprise the balance sheets as of September 30, 2018 and 2017; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years ended; and the related notes to the financial statements (hereinafter referred to as the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the fiscal years 2018 and 2017 financial statements of NMB based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 19-01, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 19-01 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Mediation Board as of September 30, 2018 and 2017, and its net cost of operations, changes in net position, and budgetary resources for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

The information in the *Message from the Chairman, Management and Discussion Analysis* section, and *Other Accompanying Information* section of this report is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of NMB's financial statements. However we did not audit this information and, accordingly, we express no opinion on it.

Other Reporting Required by Government Auditing Standards

Internal Control over Financial Reporting

In planning and performing our audit of NMB's financial statements as of and for the year ended September 30, 2018, in accordance with generally accepted government auditing standards, we considered NMB's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NMB's internal control over financial reporting. Accordingly, we do not express an opinion on NMB's internal controls over financial reporting. We limited internal control testing to those necessary to achieve the objectives described in OMB Bulletin No. 19-01. We did not test all internal control relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatement on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose as described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our fiscal year 2018 audit we did not identify any deficiencies in internal control over financial reporting that we considered to be a material weakness, as defined above. However, material weaknesses may exist that have not been identified.

However, we noted additional matters that we will report to NMB management in a separate letter.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether NMB’s fiscal year 2018 financial statements are free of material misstatements, we performed tests of NMB’s compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements, which noncompliance could have a direct and material effect on the determination of material amounts and disclosures in NMB’s financial statements, and certain provisions of other laws specified in OMB Bulletin No. 19-01. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests of compliance as described in the preceding paragraph disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 19-01.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication provided in the Other Reporting Required by Government Auditing Standards section is solely to describe the scope of our testing of internal control and compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on the effectiveness of the NMB’s internal control or on compliance. This communication is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal controls and compliance with laws, regulations, contracts, and grant agreements which could have a material effect NMB’s financial statements. Accordingly, this communication is not suitable for any other purpose.

Allmond & Company, LLC

Landover, MD
November 1, 2018

**Balance Sheet as of September 30, 2018 and 2017
(in Dollars)**

	2018	2017
ASSETS		
Intragovernmental		
Fund Balance with Treasury (Note 2)	10,308,781	9,294,068
Total Intragovernmental	10,308,781	9,294,068
Accounts Receivable (Note 3), Net	4,340	4,743
Other	262	-
TOTAL ASSETS	\$ 10,313,383	\$ 9,298,811
LIABILITIES		
Intragovernmental		
Accounts Payable	307,382	450,883
Employer Contributions and Taxes Payable	46,144	45,560
Unemployment Insurance	2,787	8,571
Total Intragovernmental	356,313	505,014
Accounts Payable	233,928	349,492
Accrued Payroll and Benefits	176,746	170,988
Employer Contributions and Taxes Payable	6,888	6,623
Unfunded Annual Leave (Note 4)	444,367	434,065
TOTAL LIABILITIES	\$ 1,218,242	\$ 1,466,182
NET POSITION		
Unexpected Appropriations - Other Funds	9,537,955	8,270,521
Cumulative Results of Operations - Other Funds	(442,814)	(437,892)
TOTAL NET POSITION	\$ 9,095,141	\$ 7,832,629
TOTAL LIABILITIES AND NET POSITION	\$ 10,313,383	\$ 9,298,811

**FINANCIAL
STATEMENTS
(CONTINUED)**

**Statement of Net Cost for the Years Ended
September 30, 2018 and 2017 (in Dollars)**

	2018	2017
PROGRAM COSTS		
Mediation/ADR Gross Costs	6,259,178	6,690,658
Total Mediation/ADR	6,259,178	6,690,658
Representation Gross Costs	1,871,464	1,899,904
Total Representation	1,871,464	1,899,904
Arbitration Gross Costs	4,000,229	2,221,065
Total Arbitration	4,000,229	2,221,065
Presidential Emergency Board Gross Costs	-	-
Total Presidential Emergency Board	-	-
TOTAL GROSS PROGRAM COSTS	\$ 12,130,871	\$ 10,811,627
NET PROGRAM COSTS	\$ 12,130,871	\$ 10,811,627

**Statement of Changes in Net Position for the Years Ended
September 30, 2018 and 2017 (in Dollars)**

	2018	2017
UNEXPENDED APPROPRIATIONS		
Beginning Balances	8,270,521	6,102,352
Beginning Balances, as Adjusted	8,270,521	6,102,352
BUDGETARY FINANCING SOURCES		
Appropriations Received	13,800,000	13,800,000
Other Adjustments	(807,556)	(1,065,798)
Appropriations Used	(11,725,010)	(10,566,033)
Total Budgetary Financing Sources	1,267,434	2,168,169
TOTAL UNEXPENDED APPROPRIATIONS	\$ 9,537,955	\$ 8,270,521
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	(437,892)	(488,544)
Beginning Balances, as Adjusted	(437,892)	(488,544)
BUDGETARY FINANCING SOURCES		
Appropriations Used	11,725,010	10,566,033
Nonexchange Revenue	38	-
OTHER FINANCING SOURCES (NON-EXCHANGE)		
Imputed Financing Sources	400,939	296,246
Other	(38)	-
Total Financing Sources	12,125,949	10,862,279
Net Cost of Operations	(12,130,871)	(10,811,627)
Net Change	(4,922)	50,652
CUMULATIVE RESULTS OF OPERATIONS	\$ (442,814)	\$ (437,892)
NET POSITION	\$ 9,095,141	\$ 7,832,629

**FINANCIAL
STATEMENTS
(CONTINUED)**

**Statement of Budgetary Resources for the Years Ended
September 30, 2018 and 2017 (in Dollars)**

	2018	2017
BUDGETARY RESOURCES		
Unobligated balance from prior year budget authority, net	4,391,710	3,365,636
Appropriations	13,800,000	13,800,000
TOTAL BUDGETARY RESOURCES	\$ 18,191,710	\$ 17,165,636

STATUS OF BUDGETARY RESOURCES

New obligations and upward adjustments (Note 7) (total)	11,804,438	12,483,034
Unobligated balance, end of year:		
Appropriated, unexpired account	2,141,912	1,388,843
Unexpired unobligated balance, end of year	2,141,912	1,388,843
Expired unobligated balance, end of year	4,245,360	3,293,759
Unobligated balance, end of year (total)	6,387,272	4,682,602
TOTAL BUDGETARY RESOURCES	\$ 18,191,710	\$ 17,165,636

OUTLAYS, NET

Outlays, net, (total)	11,977,731	10,531,455
AGENCY OUTLAYS, NET	\$ 11,977,731	\$ 10,531,455

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The National Mediation Board (NMB), established in 1934 under Section 4 of the Railway Labor Act (RLA), is an independent U.S. federal government agency that performs a central role in facilitating harmonious labor-management relations within two of the nation's major transportation modes the railroads and airlines. Recognizing the importance of these transportation industries to the public, shippers, and consumers, as well as to the economy and security of the country, the RLA established NMB to promote three key statutory goals:

- The prompt and orderly resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
- The effectuation of employee rights of self-organization where a representation dispute exists; and
- The prompt and orderly resolution of disputes over the interpretation or application of existing agreements.

NMB prepares its financial statements to be in conformity with generally accepted accounting principles.

NMB does not hold any non-entity assets and has no funds from dedicated collections as described by the Statement of Federal Financial Accounting Standards (SFFAS) 43.

B. Basis of Presentation

NMB's principal financial statements were prepared from its official financial records and general ledger in conformity with accounting principles generally accepted in the United States and follow the presentation guidance established by OMB Circular No. A-136 "Financial Reporting Requirements," as amended. The amounts reported in the financial statements are consolidated totals net of intra-entity transactions. The financial statements have been prepared to report the financial position, net cost of operations, changes in net position, and the status and availability of budgetary resources of NMB. Unless specified otherwise, all amounts are presented in dollars. Activity and balances reported in the FY 2017 Statement of Budgetary Resources have been reclassified to conform to the updated guidance provided in OMB Circular A-136 issued July 30, 2018.

C. Basis of Accounting

Transactions are recorded on both an accrual accounting basis and a budgetary basis. The accrual method of accounting requires recognition of the financial effects of transactions, events, and circumstances in the period(s) when those transactions, events, and circumstances occur, regardless of when cash is received or paid. Budgetary accounting facilitates compliance with legal requirements and controls over the use of funds and to keep track of budget authority at the various stages of execution including allotment, obligation, and outlay.

The Balance Sheet, Statement of Net Cost, Statement of Net Position, and Statement of Budgetary Resources have been prepared in accordance with generally accepted accounting principles accepted in the United States for federal entities as prescribed by the standards set forth by the Federal Accounting Standards Advisory Board (FASAB). FASAB is recognized by the American Institute of Certified Public Accountants as the body designated to establish generally accepted accounting principles for federal entities. Certain assets, liabilities, and costs have been classified as intragovernmental throughout the financial statements and notes. Intragovernmental is defined as transactions made between two reporting entities within the federal government.

D. Revenue and Other Financing Sources

NMB receives funds to support its programs through annual appropriations. These may be used to pay program and administrative expenses (primarily salaries and benefits, occupancy, travel, and contractual services costs).

Appropriations are recognized as other financing sources at the time they are used to pay program or administrative expenses. Appropriations used to acquire property and equipment is recognized as financing sources when the assets are purchased.

E. Use of Estimates

The preparation of the accompanying financial statements in accordance with U.S. Treasury generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

F. Fund Balances with the US Department of Treasury

The U.S. Treasury processes cash receipts and disbursements on NMB's behalf. The balance of funds with Treasury represents appropriated funds that are available to pay current liabilities and finance authorized purchase obligations relative to goods or services that have not been received. NMB does not maintain cash in commercial bank accounts or foreign currency balances.

G. Accounts Receivable

Accounts receivable primarily consists of amounts due from current and former employees. These receivables are a result of payroll adjustments and or court ordered actions. An allowance for uncollectible accounts receivable from the public is established when either (1) management determines that collection is unlikely to occur after a review of outstanding accounts and the failure of all collection efforts, or (2) an account for which no allowance has been established is submitted to the Department of the Treasury for collection, which takes place when it becomes 120 days delinquent. Based on historical experience, all receivables are collectible and no allowance is provided.

H. Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. NMB capitalizes property and equipment purchases with a cost greater than \$5,000, and a total useful life exceeding one year. Depreciation is calculated on a straight-line basis based on an estimated useful life of 5 years for all assets. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

When NMB enters into a lease agreement, as lessee, if the title of the asset transfers to NMB at the end of the lease or any of the other three capitalization criteria pursuant to SFFAS No. 6, Accounting for Property, Plant, and Equipment, are met, NMB capitalizes the lease at the present value of minimum lease payment and amortizes the cost over the economic useful life of the asset.

I. Liabilities

Liabilities represent the amount of monies or other resources that are likely to be paid by NMB as the result of a transaction or event that has already occurred. However, no liability can be paid by NMB absent an appropriation. Liabilities for which an appropriation has not been enacted are therefore classified as Liabilities Not Covered by Budgetary Resources and there is no certainty that the appropriations will be enacted. Also, liabilities of NMB arising from other than contracts can be abrogated by the government, acting in its sovereign capacity.

Liabilities covered by budgetary resources are liabilities funded by a current appropriation or other funding source. These consist of accounts payable and accrued payroll and benefits. Accounts payable represent amounts owed to another entity for goods ordered and received and for services rendered except for employees.

Liabilities not covered by budgetary resource are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave and contingent liabilities.

J. Accrued Payroll and Benefits

Accrued payroll and benefits reflect salaries and benefits that have been earned, but not disbursed as of September 30, 2018. Accrued payroll and benefits are payable to employees and are therefore not classified as Intragovernmental.

K. Annual, Sick and Other Leave

Annual leave is accrued as a liability as it is earned. The accrual is reduced as leave is taken. Each pay period the balance in the accrued leave account is adjusted to reflect the current leave balances and pay rates. Accrued annual leave is paid from future funding sources and accordingly is reflected as a liability not covered by budgetary resources. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

L. Retirement Plans and Other Employee Benefits

NMB's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7 percent of their gross pay to the plan, and NMB contributes 7 percent.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983, are automatically covered by FERS and are eligible for Social Security benefits. Employees hired prior to January 1, 1984, could elect either to transfer to the FERS plan and become eligible for Social Security benefits or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which NMB automatically contributes 1 percent of employees' pay and matches any employee contribution up to an additional 4 percent of pay.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by NMB. The reporting of these amounts is the responsibility of the Office of Personnel Management.

The NMB imputes costs and the related financing sources for its share of retirement benefits accruing to its past and present employees that are in excess of the amount of contributions from the NMB and its employees, which are mandated by law. The Office of Personnel Management (OPM), which administers federal civilian retirement programs, provides the cost information to the NMB. The NMB recognizes the full cost of providing future pension and Other Retirement Benefits (ORB) for current employees as required by Statement of Federal Financial Accounting Standards (SFFAS) 5, Accounting for Liabilities of the Federal Government.

Full costs include pension and ORB contributions paid out of the NMB's appropriations and costs financed by OPM. The amount financed by OPM is recognized as an imputed financing source. Reporting amounts such as plan assets, accumulated plan benefits, or unfunded liabilities, if any, is the responsibility of OPM.

M. Commitments and Contingencies

A commitment is a preliminary action that reserves available funds until an obligation is made which will result in a legal liability of the U.S. government. Examples of a commitment include purchase requisitions or unsigned contracts. All open commitments at year end are closed out and new commitments (requisitions) need to be recorded in the next fiscal year. Accordingly, no open commitments exist at year end to report in the either the financial statements or notes.

A contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible gain or loss. The uncertainty will ultimately be resolved when one or more future events occur or fail to occur. A contingent liability is disclosed in the notes to the financial statements when a past event or exchange transaction has occurred, and future outflow or other sacrifice of resources is measurable and reasonably possible. A contingency is not disclosed when any of the conditions for liability recognition are not met and the chance of the future event or events occurring are not probable.

Note 2: Fund Balances with Treasury

Fund Balance with Treasury account balances as of September 30, 2018 and 2017 were as follows:

	2018	2017
STATUS OF FUND BALANCE WITH TREASURY		
Unobligated Balance Available	2,141,912	1,388,843
Unavailable	4,245,360	3,293,759
Obligated Balance Not Yet Disbursed	3,921,509	4,611,466
TOTAL	\$ 10,308,781	\$ 9,294,068

The available unobligated fund balances represent the current-period amount available for obligation or commitment

The unavailable unobligated fund balances represent the amount of appropriations for which the period of availability for obligation has expired. These balances are available for upward adjustments of obligations incurred only during the period for which the appropriation was available for obligation or for paying claims attributable to the appropriations.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance.

Note 3: Accounts Receivable

Accounts receivable balances as of September 30, 2018 and 2017, were as follows:

	2018	2017
ACCOUNTS RECEIVABLE		
With the Public Accounts Receivable	4,340	4,743
Allowance	-	-
TOTAL PUBLIC ACCOUNTS RECEIVABLE	\$ 4,340	\$ 4,743
TOTAL ACCOUNTS RECEIVABLE	\$ 4,340	\$ 4,743

The accounts receivable is primarily made up of reimbursements due from employees.

Historical experience has indicated that the majority of the receivables are collectible. There are no material uncollectible accounts as of September 30, 2018 and 2017.

Note 4: Liabilities Not Covered by Budgetary Resources

Liabilities Covered and Not Covered by Budgetary Resources as of September 30, 2018 and 2017 consist of the following:

	2018	2017
LIABILITIES NOT COVERED BY BUDGETARY RESOURCES		
Intragovernmental - Unemployment Insurance	2,787	8,571
Unfunded Leave	444,367	434,065
Total Liabilities Not Covered by Budgetary Resources	447,154	442,636
Total Liabilities Covered by Budgetary Resources	771,088	1,023,546
TOTAL LIABILITIES	\$ 1,218,242	\$ 1,466,182

Note 5: Leases

Operating Leases

NMB has entered into a new operating lease to commence November 1, 2016 and expiring on October 31, 2026. NMB pays GSA a standard level users charge for the annual rental adjusted annually for operating cost escalations in accordance with the provisions in the Federal Management Regulations.

OPERATING LEASE FISCAL YEAR	OFFICE SPACE
2019	1,206,501
2020	1,227,890
2021	1,249,921
2022	1,272,613
2023	1,295,985
2024	1,320,059
2025	1,344,855
2026	1,370,395
2027	106,486
TOTAL FUTURE PAYMENTS	\$ 10,394,705

Note 6: Commitments and Contingencies

Arbitrator Liabilities

The NMB revised its policy, so that when cases are assigned to an Arbitrator the full cost of the case is obligated. The number of cases not assigned to any arbitrators September 30, 2018 and 2017 is 2,975 and 3,463 respectively. If these cases were assigned, we estimate it would cost \$1,874,250 in fiscal year 2018 and in fiscal year 2017 \$2,181,690 for arbitrators to hear and render an award on these cases.

Note 7: Apportionment Categories of New Obligations and Upward Adjustments: Direct vs Reimbursable Obligations

New obligations reported on the Statement of Budgetary Resources in 2018 and 2017 consists of the following:

	2018	2017
DIRECT OBLIGATIONS		
Category A	11,804,438	12,483,034
NEW OBLIGATIONS AND UPWARD ADJUSTMENTS	\$ 11,804,438	\$ 12,483,034

Note 8: Undelivered Orders at the End of the Period

As of September 30, 2018, budgetary resources obligated for undelivered orders were as follows:

CURRENT YEAR	FEDERAL	NON-FEDERAL	TOTAL
Paid Undelivered Orders	-	262	262
Unpaid Undelivered Orders	474,375	2,676,045	3,150,420
TOTAL UNDELIVERED ORDERS	\$ 474,375	\$ 2,676,307	\$ 3,150,682

As of September 30, 2017, budgetary resources obligated for undelivered orders were as follows:

PRIOR YEAR	FEDERAL	NON-FEDERAL	TOTAL
Paid Undelivered Orders	-	-	-
Unpaid Undelivered Orders	7,450	3,580,469	3,587,919
TOTAL UNDELIVERED ORDERS	\$ 7,450	\$ 3,580,469	\$ 3,587,919

**Note 9: Reconciliation of Net Cost of Operations (Proprietary) to Budget
for the Years Ended September 30, 2018 and 2017 (in Dollars)**

	2018	2017
RESOURCES USED TO FINANCE ACTIVITIES		
Budgetary Resources Obligated		
Obligations Incurred	11,804,438	12,483,034
Spending Authority From Offsetting Collections and Recoveries	(516,664)	(260,611)
Obligations Net of Offsetting Collections and Recoveries	11,287,774	12,222,423
Offsetting Receipts	-	-
Net Obligations	11,287,774	12,222,423
Other Resources		
Imputed Financing From Costs Absorbed By Others	400,939	296,246
Other Resources	(38)	-
Net Other Resources Used to Finance Activities	400,901	296,246
TOTAL RESOURCES USED TO FINANCE ACTIVITIES	\$ 11,688,675	\$ 12,518,669

**RESOURCES USED TO FINANCE ITEMS
NOT PART OF THE NET COST OF OPERATIONS**

Change In Budgetary Resources Obligated For Goods, Services and Benefits Ordered But Not Yet Provided	437,236	(1,656,390)
Resources That Fund Expenses Recognized In Prior Periods	(5,342)	(58,715)
Total Resources Used to Finance Items Not Part of Net Cost of Operations	431,894	(1,715,105)
TOTAL RESOURCES USED TO FINANCE THE NET COST OF OPERATIONS	\$ 12,120,569	\$ 10,803,564

**COMPONENTS OF THE NET COST OF OPERATIONS
THAT WILL NOT REQUIRE OR GENERATE RESOURCES
IN THE CURRENT PERIOD:**

Components Requiring or Generating Resources in Future Periods		
Increase In Annual Leave Liability	10,302	-
Increase In Exchange Revenue Receivable From the Public	(404)	(508)
Other	-	8,571
Total Components of Net Cost of Operations That Will Not Require or Generate Resources In Future Periods	9,898	8,063
Components Not Requiring or Generating Resources		
Other	404	-
Total Components of Net Cost of Operations That Will Not Require or Generate Resources In Future Periods	404	-
TOTAL COMPONENTS OF NET COST OF OPERATIONS THAT WILL NOT REQUIRE OR GENERATE RESOURCES IN THE CURRENT PERIOD	\$ 10,302	\$ 8,063
NET COST OF OPERATIONS	\$ 12,130,871	\$ 10,811,627

**MANAGEMENT
ASSURANCES**

This section provides information on NMB's compliance with the Federal Managers' Financial Integrity Act (FMFIA) and the Improper Payments Information Act, as well as other management information, initiatives, and issues. FMFIA requires that agencies establish controls that provide reasonable assurance that:

- obligations and costs comply with applicable law;
- assets are safeguarded from waste, loss, unauthorized use, or misappropriation, and;
- revenue and expenditures are properly recorded and accounted.

It also requires the Chairman to provide an assurance statement on the adequacy of management controls.

FMFIA ASSURANCE STATEMENT

The NMB's management is responsible for establishing and maintaining effective internal controls that meet the obligations of FMFIA within their areas of responsibility. Based on the directors' knowledge of daily operations and other management reviews, the NMB is able to provide reasonable assurance that, as of September 30, 2018, its internal controls over the effectiveness and efficiency of operations were compliant with applicable laws and regulations, and no material weaknesses were found.



Kyle Fortson
Chairman

November 15, 2018

Improper Payments Information Act

The NMB is considered to be at low risk for improper payments since the functional payment areas are limited to traveler reimbursement, commercial vendors for supplies and services, and the payroll Electronic Funds Transfer (EFT) payments. The NMB does not administer any entitlement, grant, or loan programs.

Government Travel Charge Card Program

The NMB is a full participant in the General Service Administration's (GSA) Government Travel Charge Card Program, and has issued travel credit cards to employees whose official duties require frequent travel. The Office of Administration (OA) along with the Bureau of Fiscal Services (BFS) routinely monitors each employee's use of the travel card to ensure that charge activities are restricted to official government travel-related expenses, and that the employee is paying his/her credit card bills on-time. BFS processes all travel-related expenses on behalf of the NMB. The BFS will reimburse all travel-related expenses within an average of 5 business days after receipt of a completed and approved travel voucher that has been reviewed and approved by the Director of OA.

All NMB Travel credit card holders are provided the required Government Travel credit card training as outlined in the Office of Management and Budget (OMB) Circular A-123 Appendix B. Additionally, NMB requires all travel card holders to complete GSA Government SmartPay Travel training on an annual basis. Further, all NMB staffers are provided and required to complete the following travel training courses:

- Travel Basics 101
- Attending a Conference 100
- FTR In-Depth
- Fly America Act & Open Skies Agreements
- Travel Basics 101

Lastly, all NMB approving officials are required to complete Approving Officials Responsibilities: Federal Travel Regulation (FTR), travel training course.

Government Purchase Card Program

The NMB continued its use of the U.S. Government's purchase card program to expedite the purchase of authorized supplies and services. The NMB has an internal process that requires an approved purchase request form for all requests. This purchase request is reviewed and approved by the office director before being submitted to the OA for action. Prior to the approval of the Director of OA, the purchase request is verified to confirm that the request does not exceed the micro purchase limit. NMB requires all purchase card holders to complete GSA Government SmartPay Purchase training on an annual basis.



APPENDIX

69 GLOSSARY

72 ACRONYMS

GLOSSARY

These definitions are provided for general understanding only. They do not provide definitive definition regarding any matter before the Board and are not to be construed as legal definitions that may be cited in any administrative, legal or arbitral proceeding.

Act

The Railway Labor Act

Agency

The National Mediation Board

Alternative Dispute Resolution (ADR)

ADR is a process for resolving disputes outside of the judicial system of law. In the venue of the NMB, ADR is the facilitation of interest-based or mutual-interest negotiations and grievance mediation.

Amendable Contract

Under the Railway Labor Act, collective bargaining agreements become subject-to-change on a specified date, rather than expiring as agreements do under the National Labor Relations Act.

Annual Report

NMB's Annual Performance and Accountability Report

Arbitration

A type of dispute resolution process where an arbitrator renders a decision, which usually can be appealed judicially only on a very narrow basis such as fraud.

Arbitration Forum

A committee formed of officials of railroads, rail unions, arbitrators and the NMB for the purpose of improving the processing of railroad employee grievances.

Board

May be one of the following, depending upon the context in which it appears:

- National Mediation Board (NMB)
- Presidential Emergency Board (PEB)
- National Railroad Adjustment Board (NRAB)
- Special Board of Adjustment (SBA)
- Public Law Board (PLB)
- System Board of Adjustment (SBA)

Carrier

An airline or railroad as defined by sections 151 and 181 of the Railway Labor Act.

CFO

Chief Financial Officer

Class I

A category of the largest U.S. railroads as defined by the Surface Transportation Board.

Collective Bargaining Agreement

A labor contract between a union and a carrier.

Cooling Off Period

A 30-day period of time preceding the right of parties to a collective bargaining dispute to engage in economic "self help" under the RLA.

Craft or Class

A group of employees deemed by the NMB to share a community of work and interest for the purpose of collective bargaining under the RLA.

Direct Negotiations

Negotiations between the parties to a collective bargaining dispute before or apart from NMB mediation.

E-book

A book available via the Internet such as NMB's Annual Performance and Accountability Report.

E-business

The conduct of business on the Internet.

E-filing

An electronic method for submitting documents.

E-Verify

A system for online verification.

Facilitation

A process where a neutral helps the parties in a collective bargaining or grievance dispute use ADR problem-solving methods such as interest-based bargaining or grievance mediation.

Facilitated Problem Solving

This approach to bargaining utilizes a process of problem identification and discussion to reach resolution of issues rather than an exchange of proposals.

Grievances

Complaints of employees or unions arising out of the application or interpretation of collective bargaining agreements.

**GLOSSARY
(CONTINUED)**

Grievance Arbitration

A method of resolving grievances whereby an arbitrator determines the outcome.

Grievance Mediation

In the venue of the NMB, using mediation as an alternative to arbitration for resolving grievances.

Impasse

In mediation under the RLA, an impasse is when the NMB determines that further mediation will not resolve a collective bargaining dispute.

Interest Arbitration

A process, under the RLA, to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations.

Interest Based Negotiation

A type of negotiations where the parties collaboratively focus on finding solutions to underlying needs or concerns of each party (i.e., the whys) instead of adversatively negotiating specific positions.

Internet Voting

A web-based balloting option that supplements telephone electronic voting in representation elections.

Laboratory Conditions

Conditions to a representation dispute which ensure the independence of labor and management for the purpose of self-organization and the right of employees to freely determine whether they wish to be represented, or not, for the purpose of collective bargaining.

Legacy Carriers

A term applied to traditional major, hub-based airlines versus regional or point-to-point carriers.

Major Disputes

Disputes between management and a union pertaining to collective bargaining as opposed to grievance disputes known as Minor Disputes.

Mediation

A type of dispute resolution process where a neutral (i.e., a mediator) facilitates agreement between the parties to a collective bargaining dispute, vis-a-vis imposing a settlement on the parties via arbitration.

Minor Disputes

Grievances of employees or unions arising out of the application or interpretation of collective bargaining agreements as opposed to collective bargaining disputes known as Major Disputes.

National Handling

Mediation of a collective bargaining dispute where management of several railroads have chosen to negotiate collectively on a national basis.

National Labor Relations Act (NLRA)

Grants most private sector workers the right to organize and bargain collectively. Air and rail employees, however, are covered by the Railway Labor Act (RLA) rather than the NLRA.

National Railroad Adjustment Board

One of three types of tribunals under the RLA for resolving railroad grievances (also see Special Boards of Adjustment and Public Law Boards). NRAB cases are resolved by the carrier and union members with or without a neutral.

NMB Lyceum

The NMB's open-resource, distance-learning website established to provide NMB staff, labor relations practitioners and the public with training programs relevant to the National Mediation Board and the Railway Labor Act.

Ombudsman

An official of the NMB that receives and addresses problems or complaints of employees or contractors regarding actions of agency managers or staff .

Online Arbitration

An Arbitration forum and a form of Online Dispute Resolution where hearings are held in virtual, web-based meeting rooms with live video.

Online Dispute Resolution

The application of Internet or web-based technology to resolving disputes.

Open Government Directive

President Obama's Directive of December 8, 2009, requiring Federal executive departments and agencies to take specific actions to implement the principles of Transparency, Participation, and Collaboration.

Presidential Emergency Board

A Board established under the Railway Labor Act by the U.S. President to investigate and report on an airline or railroad labor dispute.

Proffer of Arbitration

The step in the process of resolving collective bargaining disputes under the RLA, which follows a determination of impasse by the NMB, whereby the NMB offers voluntary, binding arbitration to the parties as a method for resolving the dispute.

Public Interest Meetings

Under the RLA, the NMB can intervene in an active collective bargaining dispute at any time in the interest of the general public. Usually, one or both parties to a dispute requests the mediation services of the NMB.

Public Law Boards (PLB)

One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Special Boards of Adjustment).

Railway Labor Act (RLA)

A federal law that grants interstate airline and railroad employees the right to organize and bargain collectively. Other private industry employees are covered by the National Labor Relations Act (NLRA).

Representation Dispute

A situation on an airline or railroad where employees in a specific, carrier-wide workgroup seek to organize for the purpose of collectively bargaining with their employer regarding matters of wages, benefits and working conditions.

Section 3

Section 153 of the RLA pertaining to the National Railroad Adjustment Board.

Section 3 Committee

A group of representatives from freight, regional and commuter railroads and representatives of major rail unions, whose goal is the improvement of resolution of grievances.

Section 6

Section 156 of the RLA pertaining to the changing of wages, rules, hours and working conditions.

Section 7

Section 157 of the RLA pertaining to Arbitration.

Section 9

Section 159A of the RLA pertaining to Presidential Emergency Boards for certain publicly-funded and operated commuter railroads.

Section 10

Section 160 of the RLA pertaining to Presidential Emergency Boards for airlines and railroads other than those covered by Section 9A.

Self Help

The right of a party to a collective bargaining dispute to unilaterally act in its own best interest. A carrier, for example, may lock disputing employees out of the workplace or implement changes in pay, rules and working conditions; and the union, for example, may work specifically as required by its collective bargaining agreement or strike.

Showing-of-Interest

In a representation dispute, employees in a Craft or Class must indicate an interest in being represented for the purpose of collective bargaining by signing authorization cards which are submitted to the NMB by the representative/s of their choosing.

Special Boards of Adjustment (SBA)

One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Public Law Boards).

Status Quo

Situations under the RLA in either collective bargaining or representation disputes where existing pay rates, rules and working conditions cannot be changed unilaterally, pending the resolution of the dispute in question.

Strike

A work stoppage action initiated by a union.

System Boards of Adjustment (SBA)

An arbitration board pursuant to an agreement by the parties for resolving airline grievances.

System-wide

Under the RLA, a craft or class applies anywhere an airline or railroad operates in the United States.

Telephone Electronic Voting (TEV)

A paperless balloting process using telephones instead of traditional paper ballots.

Work Stoppage

An interruption to the operations of an or railroad.

ACRONYMS

A4A	Airlines for America
AAA	American Arbitration Association
ABA	American Bar Association
ABM	ABM-Onsite Services
A-Case	An NMB designation for a Mediation case
ADR	Alternative Dispute Resolution
AFA	Association of Flight Attendants
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
AFSCME	American Federation of State, County and Municipal Employees
ALI-CLE	American Law Institute Continuing Legal Education
ALPA	Air Line Pilots Association
ALRA	Association of Labor Relations Agencies
AMTRAK	National Railroad Passenger Corporation (NRPC)
ARASA	American Railway and Airway Supervisors Association
ATDA	American Train Dispatchers Association
AVG	Average
AWS	Alternative Work Schedule
AWS	Arbitrator Work Space
BFS	Bureau of the Fiscal Service
BLET	Brotherhood of Locomotive Engineers & Trainmen
BMWED	Brotherhood of Maintenance of Way Employees Division
BNSF	Burlington Northern Santa Fe Railway
BRC	Brotherhood of Railway Carmen
BRS	Brotherhood of Railroad Signalmen
CFO	Chief Financial Officer
CGE	Concur Government Edition
CN	Canadian National Railway
CP	Canadian Pacific Railway
CSRS	Civil Service Retirement Act
CSX	CSX Transportation, Inc.
CWA	Communication Workers of America
D&H	Delaware and Hudson Railway
DM&E	Dakota, Minnesota and Eastern Railroad
DOMS	Director of Office of Mediation Services
EFT	Electronic Funds Transfer
EH	Eagle Horizon - FEMA
FASAB	Federal Accounting Standards Advisory Board
F-Case	An NMB designation for a Facilitation case
FEMA	Federal Emergency Management Agency
FERS	Federal Employees Retirement System
FMCS	Federal Mediation and Conciliation Service
FMFIA	Federal Managers' Financial Integrity Act
FOIA	Freedom of Information Act
FTR	Federal Travel Regulation
FY	Fiscal Year
G&W	Genesee & Wyoming Inc.
GAAP	Generally Accepted Accounting Principles
GAO	Government Accountability Office
GM-Case	An NMB designation for a Grievance Mediation case
GPRA	Government Performance and Results Act
GSA	General Services Administration
HERE	Hotel Employees and Restaurant Employees Union
IAM	International Association of Machinists and Aerospace Workers
IBB	International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers
IBEW	International Brotherhood of Electrical Workers
IBT	International Brotherhood of Teamsters
IBT/HERE	IBT/HERE Employee Representatives' Council
IDP	Individual Development Plan
ILA	International Longshoremen's Association

**ACRONYMS
(CONTINUED)**

METRA	Northeast Illinois Regional Commuter Railroad (NIRCR)
N/A	Not Applicable
NAA	National Academy of Arbitrators
NARR	National Association of Railroad Referees
NCCC	National Carriers' Conference Committee
NCFO	National Conference of Firemen and Oilers
NEP	National Exercise Program - FEMA
NIRCR	Northeast Illinois Regional Commuter Railroad (METRA)
NLRB	National Labor Relations Board
NMB	National Mediation Board
NRAB	National Railroad Adjustment Board
NRLC	National Railway Labor Conference
NRPC	National Railroad Passenger Corporation (AMTRAK)
OA	Office of Administration - NMB
OAS	Office of Arbitration Services - NMB
OFS	Office of Fiscal Services - NMB
OIS	Office of Information Services - NMB
OLA	Office of Legal Affairs - NMB
OMB	Office of Management and Budget
OMS	Office of Mediation Services - NMB
OP-Case	An NMB designation for an Outreach and Promotion case
OPEIU	Office and Professional Employees International Union
OPM	Office of Personnel Management
ORB	Other Retirement Benefits
PAFCA	Professional Airline Flight Control Association
PAR	Pan Am Railways
PATH	Port Authority Trans-Hudson
PEB	Presidential Emergency Board
PLB	Public Law Board
PPI	Private Personnel Information
PRISM	A BFS web-based procurement system
PRLBC	Passenger Rail Labor Bargaining Coalition
PSA	PSA Airlines
PTRA	Port Terminal Railroad Association
R-Case	An NMB designation for a Representation case
RLA	Railway Labor Act
SBA	Special Board of Adjustment
SBA	System Board of Adjustment
SEIU	Service Employees International Union
SEPTA	Southeastern Pennsylvania Transportation Authority
SFFAS	Statement of Federal Financial Accounting Standards
SMART	International Association of Sheet Metal, Air, Rail and Transportation Workers
SMART-MD	International Association of Sheet Metal, Air, Rail and Transportation Workers - Mechanical Division
SMART-TD	International Association of Sheet Metal, Air, Rail and Transportation Workers - Transportation Division
STB	Surface Transportation Board
T-Case	An NMB designation for a Training case
TCU	Transportation Communications Union
TCU/IAM	Transportation Communications Union affiliation International Association of Machinists and Aerospace Workers
TWU	Transport Workers Union of America
TWU-IAM	TWU-IAM Association
UNITE HERE	Union of Needletrades, Industrial, and Textile Employees and Hotel Employees and Restaurant Employees International Union
UP	Union Pacific Railroad
WDI	Withdrawn During Investigation
XAPA	XTRA Airline Pilot Association

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APPENDIX



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